

By: Representative Moore

To: Insurance

HOUSE BILL NO. 1243  
(As Passed the House)

1 AN ACT TO REQUIRE COMPLETION OF CERTAIN COURSES OF STUDY AND  
2 CONTINUING EDUCATIONAL REQUIREMENTS AS PREREQUISITES FOR LICENSING  
3 AND RENEWAL OF LICENSES AS INSURANCE AGENTS IN THE STATE OF  
4 MISSISSIPPI; TO PRESCRIBE THE BASIC PRELICENSING EDUCATIONAL AND  
5 CONTINUING EDUCATIONAL REQUIREMENTS FOR INSURANCE AGENTS; TO  
6 ESTABLISH STANDARDS BY WHICH PRELICENSING AND CONTINUING EDUCATION  
7 SHALL BE EVALUATED FOR AWARDING OF CREDIT; AND FOR RELATED  
8 PURPOSES.

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

10 SECTION 1. (1) Every individual seeking to be licensed as a  
11 life, health and accident insurance agent in the State of  
12 Mississippi, as a condition of issuance of an original license,  
13 must furnish the Commissioner of Insurance certification on a form  
14 prescribed by the commissioner that he or she has completed an  
15 approved prelicensing course of study for the line of insurance  
16 requested.

17 (2) The prelicensing course of study hours shall consist of  
18 no less than twenty-four (24) classroom hours for life and/or  
19 health/accident insurance or property and casualty insurance.  
20 Twelve (12) classroom hours are required on life only; twelve (12)  
21 classroom hours are required for health/accident only; and twelve  
22 (12) classroom hours are required for property and casualty only.

23 (3) Every individual seeking annual renewal of life, health  
24 and accident licenses, or annual renewal of property and casualty  
25 licenses, shall complete satisfactorily twelve (12) hours of study  
26 in approved courses in his primary line of insurance during each  
27 twelve-month period except the initially licensed year. The  
28 individual may take an additional twelve (12) hours in his  
29 secondary line of insurance.

(4) The continuing educational requirements of this section shall not apply to:

(a) Any individual that is exempt from taking the written examination as provided in Section 83-17-109(1)(b), (c) and (e);

(b) Any individual that is licensed with a license limited to industrial life, industrial health and accident; or

(c) A person not a resident of this state who meets the continuing educational requirement in the state in which such person resides and Mississippi has a reciprocal agreement with that state.

SECTION 2. (1) To qualify for credit towards satisfaction of the requirements of this section, an educational program must be a formal program of learning which contributes directly to the professional competence of the licensee and such program must meet the standards outlined herein for continuing educational programs.

The subject of each course must be approved for the lines of insurance for which the licensee is granted educational credit.

(2) Formal programs requiring attendance or self-study may be considered for credit if:

(a) A detailed outline is prepared and presented to the Department of Insurance for approval;

(b) The program is at least two (2) credit hours in length, which each fifty (50) minute period being equal to one (1) credit hour;

(c) The program is conducted by a qualified instructor;

(d) A record of registration and attendance is maintained for a period of five (5) years and is available to the Department of Insurance for review; and

(e) If program is self-study, the agent must pass an exam.

(3) Continuing educational credit shall be allowed for service as an instructor of certified programs at any program for

63 which participants are eligible to receive continuing educational  
64 credit. Credit for such service shall be awarded on the first  
65 presentation only unless a program has been substantially revised.

66 (4) The course must be directly related to life, health and  
67 accident insurance or property and casualty insurance. A business  
68 course of general nature, insurance marketing or sales course  
69 shall not be approved.

70 (5) The courses or programs of instruction successfully  
71 completed which shall meet the standards of the Commissioner of  
72 Insurance for continuing educational requirements for the year in  
73 which the course is taken are:

74 (a) Any part of the Life Underwriter Training Counsel  
75 Life Course Curriculum or Health Course;

76 (b) Any part of the American College "CLU-ChFC,"  
77 "RHU-REBC" diploma or certificate curriculum;

78 (c) Any part of the Insurance Institute of America's  
79 programs;

80 (d) Any course as approved by the Department of  
81 Insurance for property and casualty insurance agents; and

82 (e) Any designated insurance course taught by an  
83 accredited college or university per credit hour granted.

84 (6) The commissioner specifically reserves the right to  
85 approve or disapprove credit for continuing education claimed  
86 under this section.

87 (7) The Commissioner of Insurance may require any original  
88 publisher or provider to submit all material to be used in his or  
89 her program to the Department of Insurance or his designee for  
90 review.

91 (8) All providers shall maintain a record of persons  
92 attending each course for not less than five (5) years and shall  
93 provide certificates of completion with hours earned to students  
94 upon their successful completion of each course. The certificate  
95 shall bear the course identification number as assigned by the

Commissioner of Insurance or his designee.

(9) The Commissioner of Insurance may, in his discretion, designate an independent evaluation educational service to evaluate and administer education programs, subject to his direction and approval. The evaluation fee charged by such educational service shall be paid by the applicant to the service.

SECTION 3. (1) A prelicensing and continuing educational advisory committee, comprised of seven (7) individuals who are representatives from each segment of the life, health and accident industry and the property and casualty industry may be appointed by and shall serve at the pleasure of the Commissioner of Insurance to advise the commissioner concerning prelicensing and continuing educational standards. Each committee member shall agree to serve a minimum of two (2) years. The chairman of the committee shall be appointed by and shall serve at the pleasure of the commissioner.

(2) A majority of those present at any meeting of the educational advisory committee shall be a quorum for purposes of performing the duties of the committee under this section.

(3) The committee may advise the commissioner on program content and exceptions as permitted under this section.

(4) The committee shall be available to consider other related matters as the commissioner may assign.

SECTION 4. (1) Applications for original licenses shall be accompanied by a signed statement, under oath, on a form prescribed by the Commissioner of Insurance, listing the courses that were taken in compliance with this section or a certificate of attendance signed by the educational provider.

(2) Each licensee shall submit annually certificates of attendance signed by the continuing educational provider setting forth the program in which he has participated during the reporting period. Each licensee shall maintain a record of each continuing education certificate for a period of no less than five

129 (5) years.

130 (3) The responsibility for establishing whether a particular  
131 course or other program for which credit is claimed is acceptable  
132 and meets the continuing educational requirements as set forth in  
133 this section rests solely on the licensee.

134 SECTION 5. The Commissioner of Insurance, upon written  
135 request, may grant exception to or extend the time in which a  
136 licensee must comply with the continuing educational requirements  
137 of this section for reasons of poor health, military service or  
138 other reasonable and just causes.

139 SECTION 6. (1) Any individual failing to meet the  
140 requirements of this section and who has not been granted an  
141 extension of time within which to comply or who has submitted to  
142 the Commissioner of Insurance a false or fraudulent certificate of  
143 compliance shall be subject to suspension or revocation of all  
144 licenses issued for any kind or kinds of insurance. The  
145 individual shall be notified of his right to a hearing. No  
146 further license shall be issued to such person for any kind or  
147 kinds of insurance until such time as the person has demonstrated  
148 to the satisfaction of the commissioner that he or she has  
149 complied with all requirements of this section and all other laws  
150 applicable thereto.

151 (2) The Commissioner of Insurance may suspend, revoke or  
152 refuse to renew a course provider's authority to offer courses for  
153 any of the following causes:

154 (a) Advertising that a course is approved before the  
155 commissioner has granted such approval in writing;

156 (b) Submitting a course outline with material  
157 inaccuracies, either in length, presentation time or topic  
158 content;

159 (c) Presenting or using unapproved material in  
160 providing an approved course;

161 (d) Failing to conduct a course for the full time

specified in the approval request submitted to the commissioner;

(e) Preparing and distributing certificates of attendance or completion before the course has been approved;

(f) Issuing certificates of attendance or completion before the completion of the course;

(g) Failing to issue certificates of attendance or completion to any licensee who satisfactorily completes a course;

(h) Failing To notify promptly the Commissioner of Insurance of suspected or known improper activities; or

(i) Any violation of state law.

(3) A course provider is responsible for the activities of persons conducting, supervising, instructing, proctoring, monitoring, moderating, facilitating or in any way responsible for the conduct of any of the activities associated with the course.

(4) In addition, the Commissioner of Insurance may require any of the following upon a finding of a violating of this section:

(a) Refunding all course tuition and fees to licensees;

(b) Providing licensees with a suitable course to replace the course that was found in violation; or

(c) Withdrawal or approval of courses sponsored by such a provider for a period determined by the commissioner.

SECTION 7. This act shall take effect and be in force from and after July 1, 1999.