

HOUSE BILL 25

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1998 Regular Session
8r0010

(PRE-FILED)

By: **Delegate Holt**

Requested: July 14, 1997

Introduced and read first time: January 14, 1998

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Insurance Agents - Renewal of Certificate of Qualification**

3 FOR the purpose of prohibiting the Maryland Insurance Commissioner from refusing
4 to renew a certificate of qualification solely because the holder does not have an
5 appointment from an insurer.

6 BY repealing and reenacting, with amendments,
7 Article - Insurance
8 Section 10-115
9 Annotated Code of Maryland
10 (1997 Volume)

11 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
12 MARYLAND, That the Laws of Maryland read as follows:

13 **Article - Insurance**

14 10-115.

15 (a) (1) Certificates of qualification expire at the end of every other June 30
16 unless renewed as provided in this section.

17 (2) If a certificate of qualification expires under paragraph (1) of this
18 subsection, the appointments held by the agent shall be terminated as of the day of
19 the expiration of the certificate of qualification.

20 (b) At least 1 month before a certificate of qualification expires, the
21 Commissioner shall mail to the holder of the certificate of qualification, at the last
22 known address of the holder:

23 (1) a renewal application form; and

24 (2) a notice that states:

1 (i) the date by which the Commissioner must receive the renewal
2 application for the renewal to be issued and mailed before the certificate of
3 qualification expires; and

4 (ii) the amount of the renewal fee.

5 (c) Before a certificate of qualification expires, the holder of the certificate of
6 qualification may renew it for an additional 2-year term, if the holder:

7 (1) otherwise is entitled to a certificate of qualification;

8 (2) files with the Commissioner a renewal application on the form that
9 the Commissioner provides;

10 (3) completes the continuing education requirements established under §
11 10-116 of this subtitle by June 15 immediately prior to the expiration of the
12 certificate of qualification; and

13 (4) pays to the Commissioner the renewal fee required by § 2-112 of this
14 article.

15 (d) An application for renewal of a certificate of qualification shall be
16 considered made in a timely manner if it is postmarked on or before June 30 of the
17 year of renewal.

18 (e) (1) The Commissioner shall renew the certificate of qualification of each
19 holder who meets the requirements of this section AND MAY NOT REFUSE TO RENEW
20 SOLELY BECAUSE THE HOLDER DOES NOT HAVE AN APPOINTMENT.

21 (2) If the holder of a certificate of qualification completes the continuing
22 education requirements established under § 10-116 of this subtitle and pays the
23 applicable renewal fee before the certificate of qualification expires, the certificate of
24 qualification remains in effect until the Commissioner renews the certificate of
25 qualification.

26 (f) The Commissioner may adopt regulations to:

27 (1) carry out this section; and

28 (2) develop a staggered system of renewals for certificates of
29 qualification of agents and brokers.

30 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
31 October 1, 1998.