

SENATE BILL 31

Unofficial Copy
C3

1999 Regular Session
9r0058

(PRE-FILED)

By: **Chairman, Finance Committee (Departmental - Insurance
Administration, Maryland)**

Requested: July 27, 1998

Introduced and read first time: January 13, 1999

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Insurance - Agents and Brokers - Certificate of Qualification Requirements**

3 FOR the purpose of altering the requirements that applicants for certain certificates
4 of qualification must fulfill; and generally relating to certain requirements for
5 obtaining a certificate of qualification as an insurance agent or broker.

6 BY repealing and reenacting, with amendments,
7 Article - Insurance
8 Section 10-105
9 Annotated Code of Maryland
10 (1997 Volume and 1998 Supplement)

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 10-105.

15 (a) To qualify for a certificate of qualification as an agent or broker for life
16 insurance, health insurance, annuities, nonprofit health service plans, dental plan
17 organizations, or health maintenance organizations, an individual applicant must
18 meet the requirements of this section.

19 (b) An applicant must be of good character and trustworthy.

20 (c) Before taking an examination under this subtitle, an applicant shall
21 complete [at least 60 hours of study and instruction as required] A PROGRAM OF
22 STUDIES THAT HAS BEEN ESTABLISHED OR APPROVED by the Commissioner.

23 (d) Before taking a written examination, an applicant shall:

1 (1) demonstrate to the Commissioner that the applicant has completed
2 the educational requirements set out by the Commissioner, including the requirement
3 of subsection (c) of this section; and

4 (2) pay the application fee required under § 2-112(a)(4)(iii) of this article.

5 (e) (1) Except as otherwise provided in this subsection, the applicant must
6 pass an examination given by the Commissioner under this subtitle.

7 (2) The following applicants are not required to take an examination:

8 (i) an applicant for a certificate of qualification to act as an agent
9 only for selling credit life insurance or credit accident and health insurance or both to
10 a borrower of money or buyer of goods in connection with a loan or credit transaction;

11 (ii) an applicant for a certificate of qualification to act as an agent
12 for a dental plan organization if the applicant for compensation solicited, procured, or
13 negotiated contracts for dental plan organizations continuously from July 1, 1988, to
14 June 30, 1989;

15 (iii) an applicant for a certificate of qualification to act as an agent
16 for a nonprofit health service plan if the applicant for compensation solicited,
17 procured, or negotiated contracts for nonprofit health service plans continuously from
18 July 1, 1988, to June 30, 1989; or

19 (iv) an applicant for a certificate of qualification to act as an agent
20 for a health maintenance organization if the applicant for compensation solicited,
21 procured, or negotiated contracts for health maintenance organizations continuously
22 from July 1, 1988, to June 30, 1989.

23 (3) The Commissioner may waive the examination requirement of this
24 section for an applicant who:

25 (i) 1. has been conferred the Chartered Life Underwriter
26 (C.L.U.) designation by the American College of Life Underwriters; and

27 2. is a member in good standing of the American Society of
28 Chartered Life Underwriters; or

29 (ii) has been conferred the designation of Fellow of the Society of
30 Actuaries.

31 (f) An applicant may qualify as to any particular kind or kinds of insurance
32 and may request a certificate of qualification to act as an agent or broker or both.

33 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
34 October 1, 1999.