

SENATE BILL 701

C3, C4

(8lr1953)

ENROLLED BILL

—Finance/Health and Government Operations—

Introduced by **Senators Jones, Astle, and McFadden**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

President.

CHAPTER _____

1 AN ACT concerning

2 **Insurance Producers - Life and Health Insurance Examinations - Annual**
3 **~~Reports~~ Report**

4 FOR the purpose of requiring the Maryland Insurance Commissioner or a designee of
5 the Commissioner on or before a certain date each year to prepare and publish a
6 certain report that relates to life and health insurance producer examinations
7 administered during a certain period of time; requiring the report to include
8 certain information about certain examinees in a certain manner; ~~requiring the~~
9 ~~Commissioner or a designee of the Commissioner on or before a certain date~~
10 ~~each year to prepare and make available on request a certain report that relates~~
11 ~~to a certain test form used for certain examinations administered during a~~
12 ~~certain period of time; requiring the report to show certain information about~~
13 ~~certain test forms for certain examinees in a certain manner; requiring the~~
14 Commissioner or a designee of the Commissioner to submit the report to certain
15 legislative committees; providing for the termination of this Act; providing for the

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Italics indicate opposite chamber / conference committee amendments.



1 termination of this Act; and generally relating to reports on examinations for
2 insurance producers.

3 BY repealing and reenacting, with amendments,
4 Article – Insurance
5 Section 10–109
6 Annotated Code of Maryland
7 (2003 Replacement Volume and 2007 Supplement)

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

10 **Article – Insurance**

11 10–109.

12 (a) An individual applicant who otherwise qualifies for a license for life
13 insurance, health insurance, annuities, nonprofit health service plans, dental plan
14 organizations, or health maintenance organizations is entitled to be examined as
15 provided in this section.

16 (b) (1) Each individual applicant must pass a personal written
17 examination to determine:

18 (i) the competence of the applicant as to life insurance, health
19 insurance, or annuities or to any subdivision of them, including contracts for nonprofit
20 health service plans, vision plans, dental plan organizations, and health maintenance
21 organizations; and

22 (ii) the familiarity of the applicant with the applicable laws of
23 the State.

24 (2) Each examination must be graded within 30 days after the date of
25 the examination.

26 (c) An individual applicant who fails an examination may not take another
27 examination until at least 14 days after the date of the last examination that the
28 applicant failed.

29 (d) The Commissioner shall adopt reasonable regulations that specify:

30 (1) the scope, type, conduct, and grading of the written examinations;

31 (2) the frequency, times, and places in the State where the written
32 examinations will be held; and

1 (3) subject to § 10–105(e) of this subtitle, the educational requirements
2 for an individual applicant to be eligible to take a written examination.

3 **(E) (1) ON OR BEFORE APRIL 1 OF EACH YEAR, THE COMMISSIONER**
4 **OR A DESIGNEE OF THE COMMISSIONER SHALL PREPARE AND PUBLISH A**
5 **REPORT THAT SUMMARIZES STATISTICAL INFORMATION THAT RELATES TO THE**
6 **LIFE AND HEALTH INSURANCE PRODUCER EXAMINATIONS ADMINISTERED**
7 **DURING THE PRECEDING CALENDAR YEAR.**

8 **(2) THE REPORT SHALL INCLUDE THE FOLLOWING INFORMATION**
9 **FOR ALL EXAMINEES COMBINED AND SEPARATELY BY RACE OR ETHNICITY,**
10 **GENDER, RACE OR ETHNICITY WITHIN GENDER, EDUCATIONAL LEVEL, AND**
11 **NATIVE LANGUAGE:**

12 **(I) THE TOTAL NUMBER OF EXAMINEES;**

13 **(II) THE PERCENTAGE AND NUMBER OF EXAMINEES WHO**
14 **PASSED THE EXAMINATION;**

15 **(III) THE MEAN SCALED SCORES ON THE EXAMINATION; ~~AND~~**

16 **(IV) THE STANDARD DEVIATION OF SCALED SCORES ON THE**
17 **EXAMINATION; AND**

18 **(V) THE CORRECT ANSWER RATE AND CORRELATION FOR**
19 **EACH TEST QUESTION AND EACH TEST FORM.**

20 ~~**(F) (1) ON OR BEFORE APRIL 1 OF EACH YEAR, THE COMMISSIONER**~~
21 ~~**OR A DESIGNEE OF THE COMMISSIONER SHALL PREPARE AND MAKE AVAILABLE**~~
22 ~~**ON REQUEST A REPORT THAT SUMMARIZES STATISTICAL INFORMATION THAT**~~
23 ~~**RELATES TO EACH LIFE AND HEALTH INSURANCE PRODUCER TEST FORM USED**~~
24 ~~**FOR EXAMINATIONS ADMINISTERED DURING THE PRECEDING CALENDAR YEAR.**~~

25 ~~**(2) THE REPORT SHALL SHOW, FOR EACH TEST FORM, FOR ALL**~~
26 ~~**EXAMINEES COMBINED AND SEPARATELY FOR AFRICAN AMERICAN EXAMINEES,**~~
27 ~~**WHITE EXAMINEES, AMERICAN INDIAN EXAMINEES, ASIAN EXAMINEES,**~~
28 ~~**HISPANIC EXAMINEES, AND OTHER EXAMINEES, THE CORRECT ANSWER RATES**~~
29 ~~**AND CORRELATIONS**~~

30 **(3) AS SOON AS PRACTICABLE AFTER ITS PUBLICATION, THE**
31 **COMMISSIONER OR A DESIGNEE OF THE COMMISSIONER SHALL SUBMIT THE**
32 **REPORT, IN ACCORDANCE WITH § 2–1246 OF THE STATE GOVERNMENT**
33 **ARTICLE, TO THE SENATE FINANCE COMMITTEE AND THE HOUSE HEALTH AND**
34 **GOVERNMENT OPERATIONS COMMITTEE.**

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1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 October 1, 2008. It shall remain effective for a period of 3 years and, at the end of
3 September 30, 2011, with no further action required by the General Assembly, this Act
4 shall be abrogated and of no further force and effect.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.