

# SENATE BILL 701

C3, C4

8lr1953

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By: **Senators Jones, Astle, and McFadden**

Introduced and read first time: February 1, 2008

Assigned to: Finance

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## A BILL ENTITLED

1 AN ACT concerning

2 **Insurance Producers – Life and Health Insurance Examinations – Annual**  
3 **Reports**

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; and generally  
14 relating to examinations for insurance producers.

15 BY repealing and reenacting, with amendments,  
16 Article – Insurance  
17 Section 10–109  
18 Annotated Code of Maryland  
19 (2003 Replacement Volume and 2007 Supplement)

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

22 **Article – Insurance**

23 10–109.

24 (a) An individual applicant who otherwise qualifies for a license for life  
25 insurance, health insurance, annuities, nonprofit health service plans, dental plan

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 organizations, or health maintenance organizations is entitled to be examined as  
2 provided in this section.

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

5 (i) the competence of the applicant as to life insurance, health  
6 insurance, or annuities or to any subdivision of them, including contracts for nonprofit  
7 health service plans, vision plans, dental plan organizations, and health maintenance  
8 organizations; and

9 (ii) the familiarity of the applicant with the applicable laws of  
10 the State.

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

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

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

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

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

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

22 **(E) (1) ON OR BEFORE APRIL 1 OF EACH YEAR, THE COMMISSIONER**  
23 **OR A DESIGNEE OF THE COMMISSIONER SHALL PREPARE AND PUBLISH A**  
24 **REPORT THAT SUMMARIZES STATISTICAL INFORMATION THAT RELATES TO THE**  
25 **LIFE AND HEALTH INSURANCE PRODUCER EXAMINATIONS ADMINISTERED**  
26 **DURING THE PRECEDING CALENDAR YEAR.**

27 **(2) THE REPORT SHALL INCLUDE THE FOLLOWING INFORMATION**  
28 **FOR ALL EXAMINEES COMBINED AND SEPARATELY BY RACE OR ETHNICITY,**  
29 **GENDER, RACE OR ETHNICITY WITHIN GENDER, EDUCATIONAL LEVEL, AND**  
30 **NATIVE LANGUAGE:**

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

32 **(II) THE PERCENTAGE AND NUMBER OF EXAMINEES WHO**  
33 **PASSED THE EXAMINATION;**

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

2                   **(IV) THE STANDARD DEVIATION OF SCALED SCORES ON THE**  
3 **EXAMINATION.**

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

9                   **(2) THE REPORT SHALL SHOW, FOR EACH TEST FORM, FOR ALL**  
10 **EXAMINEES COMBINED AND SEPARATELY FOR AFRICAN AMERICAN EXAMINEES,**  
11 **WHITE EXAMINEES, AMERICAN INDIAN EXAMINEES, ASIAN EXAMINEES,**  
12 **HISPANIC EXAMINEES, AND OTHER EXAMINEES, THE CORRECT ANSWER RATES**  
13 **AND CORRELATIONS.**

14           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
15 October 1, 2008.