

HOUSE BILL 246

C4, J2

9lr2082

By: **Delegate Harrison**

Introduced and read first time: January 29, 2009

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Insurance Producers – Continuing Education – Exemption for Funeral**
3 **Directors and Morticians**

4 FOR the purpose of exempting certain licensed funeral directors and certain licensed
5 morticians who sell only certain life insurance policies or annuity contracts for a
6 certain purpose from continuing education requirements for insurance
7 producers; and generally relating to continuing education for insurance
8 producers.

9 BY repealing and reenacting, with amendments,
10 Article – Insurance
11 Section 10–116
12 Annotated Code of Maryland
13 (2003 Replacement Volume and 2008 Supplement)

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

16 **Article – Insurance**

17 10–116.

18 (a) (1) Subject to subsections (b) and (c) of this section, the Commissioner
19 shall require an insurance producer to receive continuing education as a condition of
20 renewing the license of the insurance producer.

21 (2) (i) The Commissioner may not require an individual who holds
22 a license to receive more than 24 hours of continuing education per renewal period.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (ii) If the individual holds a title insurance producer license, the
2 Commissioner may not require the insurance producer to receive more than 16 hours
3 of continuing education per renewal period.

4 (iii) If an insurance producer has held a license for 25 or more
5 consecutive years as of October 1, 2008, the Commissioner may not require the
6 insurance producer to receive more than 8 hours of continuing education per renewal
7 period.

8 (iv) Of the required hours of continuing education per renewal
9 period required under subparagraphs (i), (ii), and (iii) of this paragraph, at least 3
10 hours shall relate directly to ethics.

11 (3) Subject to paragraph (4) of this subsection, an insurance producer
12 may satisfy the continuing education requirements of this subsection by submitting to
13 the Commissioner or Commissioner's designee:

14 (i) proof that the insurance producer has completed the
15 required hours of continuing education for the applicable renewal period; or

16 (ii) proof that the insurance producer has completed at least 8
17 hours of continuing education for the applicable renewal period and an affidavit that,
18 over the previous 25 consecutive years, the insurance producer continually:

19 1. has held a license in the State; and

20 2. has been employed in the selling of insurance in the
21 State.

22 (4) (i) To increase the level of education of insurance producers, an
23 insurance producer shall obtain continuing education in the kind or subdivision of
24 insurance for which the insurance producer has received a license.

25 (ii) Each insurance producer who possesses a license to sell
26 health insurance and who sells long-term care insurance shall receive continuing
27 education that directly relates to long-term care insurance.

28 (iii) Each insurance producer who possesses a license to sell
29 property and casualty insurance and who sells flood insurance shall receive continuing
30 education that directly relates to flood insurance.

31 (5) If continuing education is required, the Commissioner may grant a
32 waiver to an insurance producer who has requested a waiver for reasons that the
33 Commissioner determines warrant the waiver.

34 (6) An insurer may not prohibit one of its insurance producers from
35 obtaining continuing education credits from any course approved by the
36 Commissioner.

1 (b) The following individuals are exempt from the continuing education
2 requirements under this section:

3 (1) employees of a health maintenance organization who are employed
4 solely to solicit membership in the health maintenance organization under a contract
5 between the health maintenance organization and the Department of Health and
6 Mental Hygiene;

7 (2) attorneys at law of the State who are qualified as title insurance
8 producers and who do not hold a license in any other kind or subdivision of insurance;

9 (3) individuals who hold only a limited lines license to act as an
10 insurance producer for limited line credit insurance; [and]

11 (4) insurance producers who hold only a limited lines license in any
12 type of insurance designated by the Commissioner; **AND**

13 **(5) LICENSED FUNERAL DIRECTORS OR LICENSED MORTICIANS**
14 **WHO SELL ONLY LIFE INSURANCE POLICIES OR ANNUITY CONTRACTS THAT:**

15 **(I) FUND A PRE-NEED CONTRACT AS DEFINED UNDER §**
16 **7-101 OF THE HEALTH OCCUPATIONS ARTICLE; OR**

17 **(II) FUND PAYMENT OF BENEFITS USED ONLY TO OBTAIN**
18 **FUNERAL GOODS AND SERVICES ON THE DEATH OF AN INDIVIDUAL.**

19 (c) A nonresident licensee shall be deemed to have met the continuing
20 education requirements of this section if:

21 (1) the nonresident licensee satisfies the continuing education
22 requirements of the home state of the nonresident licensee; and

23 (2) the home state of the nonresident licensee allows an insurance
24 producer who is a resident of this State to satisfy the continuing education
25 requirements of the home state on the same basis by meeting the continuing education
26 requirements of this State.

27 (d) The Commissioner may review all continuing education courses
28 submitted and approve or disapprove courses.

29 (e) The Commissioner may adopt regulations to carry out this section.

30 (f) This section does not limit the authority of the Commissioner to review,
31 approve, or disapprove continuing education courses, examinations, and other matters
32 relating to the education and qualification of insurance producers.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 October 1, 2009.