

# HOUSE BILL 246

C4, J2

9lr2082  
CF SB 616

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By: **Delegate Harrison**

Introduced and read first time: January 29, 2009

Assigned to: Economic Matters

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 5, 2009

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

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

4 FOR the purpose of ~~exempting~~ prohibiting the Maryland Insurance Commissioner  
5 from requiring an insurance producer to receive more than a certain number of  
6 hours of continuing education in a certain period if the insurance producer is  
7 also a ~~certain~~ licensed funeral ~~directors and~~ director or ~~certain~~ licensed  
8 morticians mortician who ~~sell~~ sells only certain life insurance policies or  
9 annuity contracts for a certain purpose ~~from continuing education requirements~~  
10 for insurance producers; and generally relating to continuing education for  
11 insurance producers.

12 BY repealing and reenacting, with amendments,  
13 Article – Insurance  
14 Section 10–116  
15 Annotated Code of Maryland  
16 (2003 Replacement Volume and 2008 Supplement)

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

19 **Article – Insurance**

20 10–116.

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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.



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

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

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

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

13 (iv) **THE COMMISSIONER MAY NOT REQUIRE AN INSURANCE**  
14 **PRODUCER TO RECEIVE MORE THAN 16 HOURS OF CONTINUING EDUCATION IN**  
15 **A RENEWAL PERIOD IF THE INSURANCE PRODUCER IS ALSO A LICENSED**  
16 **FUNERAL DIRECTOR OR LICENSED MORTICIAN WHO SELLS ONLY LIFE**  
17 **INSURANCE POLICIES OR ANNUITY CONTRACTS THAT FUND A PRE-NEED**  
18 **CONTRACT AS DEFINED IN § 7-101 OF THE HEALTH OCCUPATIONS ARTICLE.**

19 (v) Of the required hours of continuing education per renewal  
20 period required under subparagraphs (i), (ii), ~~and (iii)~~ **(III), AND (IV)** of this  
21 paragraph, at least 3 hours shall relate directly to ethics.

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

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

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

30 1. has held a license in the State; and  
31 2. has been employed in the selling of insurance in the  
32 State.

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

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

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

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

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

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

15 (1) employees of a health maintenance organization who are employed  
16 solely to solicit membership in the health maintenance organization under a contract  
17 between the health maintenance organization and the Department of Health and  
18 Mental Hygiene;

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

21 (3) individuals who hold only a limited lines license to act as an  
22 insurance producer for limited line credit insurance; ~~and~~

23 (4) insurance producers who hold only a limited lines license in any  
24 type of insurance designated by the Commissioner; ~~AND~~

25 ~~(5) LICENSED FUNERAL DIRECTORS OR LICENSED MORTICIANS~~  
26 ~~WHO SELL ONLY LIFE INSURANCE POLICIES OR ANNUITY CONTRACTS THAT:~~

27 ~~(I) FUND A PRE-NEED CONTRACT AS DEFINED UNDER §~~  
28 ~~7-101 OF THE HEALTH OCCUPATIONS ARTICLE; OR~~

29 ~~(II) FUND PAYMENT OF BENEFITS USED ONLY TO OBTAIN~~  
30 ~~FUNERAL GOODS AND SERVICES ON THE DEATH OF AN INDIVIDUAL.~~

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

33 (1) the nonresident licensee satisfies the continuing education  
34 requirements of the home state of the nonresident licensee; and

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

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

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

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

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

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.