

Department of Legislative Services
Maryland General Assembly
2013 Session

FISCAL AND POLICY NOTE

House Bill 537
Economic Matters

(Delegate Serafini, *et al.*)

Finance

Insurance Producers - Continuing Education - Online Courses

This bill prohibits the Insurance Commissioner from disapproving a continuing education course for insurance producers solely on the basis of the methodology or technology used to deliver instruction to individuals taking the course. The bill also authorizes any insurance producer required to fulfill continuing education requirements to renew his or her license to obtain all or part of the required continuing education credits through correspondence courses or online courses approved by the Commissioner.

Fiscal Summary

State Effect: The bill does not directly affect State governmental operations or finances.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: An insurance producer must be licensed by the Maryland Insurance Administration (MIA) and have an appointment from an insurer before acting on behalf of the insurer. As a condition of licensure, a producer must complete certain requirements, including training requirements, and pass an exam prior to licensure. Producers must also complete biennial ongoing continuing education requirements.

Generally, a licensed insurance producer must successfully complete 16 credit hours of continuing education each renewal period. A licensed insurance producer with a specified amount of experience may only be required to complete eight hours per renewal period.

Continuing education courses are submitted to the Commissioner for approval or disapproval. A licensed insurance producer may not earn credit hours for attending the same class within a renewal period or within any six-month period. The Commissioner must approve only those courses that impart substantive and procedural knowledge relating to the insurance field; the Commissioner may not approve courses covering office or business skills or a course in salesmanship or product promotion.

A licensed insurance producer may not obtain more than one-half of the required credit hours from approved correspondence courses. However, if the producer is unable to attend physical classroom courses due to a physical handicap or other medical condition, the producer may obtain permission from the Commissioner to obtain all credit hours from correspondence courses.

Background: Of the boards and commissions under the Department of Labor, Licensing, and Regulation's Division of Occupational and Professional Licensing that require continuing education, none specifically prohibits or places any limit upon the taking of online or correspondence courses. The Real Estate Commission, the Board for Professional Land Surveyors, and the Board for Professional Engineers each explicitly allow the taking of online continuing education courses.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland Insurance Administration; Department of Labor, Licensing, and Regulation; Department of Legislative Services

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mc/ljm

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