

Representative Jim Bird proposes the following substitute bill:

INSURANCE CODE - CONTINUING

EDUCATION

2009 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jim Bird

Senate Sponsor: Kevin T. Van Tassell

LONG TITLE

General Description:

This bill modifies the Insurance Code to address continuing education requirements.

Highlighted Provisions:

This bill:

- ▶ requires the commissioner to make rules related to credit towards continuing education requirements for membership in a professional insurance association; and
- ▶ makes technical changes.

Monies Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

31A-23a-202, as last amended by Laws of Utah 2008, Chapter 382

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **31A-23a-202** is amended to read:



26 **31A-23a-202. Continuing education requirements.**

27 (1) Pursuant to this section, the commissioner shall by rule prescribe the continuing
28 education requirements for a producer and a consultant.

29 (2) (a) The commissioner may not state a continuing education requirement in terms of
30 formal education.

31 (b) The commissioner may state a continuing education requirement in terms of
32 classroom hours, or their equivalent, of insurance-related instruction received.

33 (c) Insurance-related formal education may be a substitute, in whole or in part, for
34 classroom hours, or their equivalent, required under Subsection (2)(b).

35 (3) (a) The commissioner shall impose continuing education requirements in
36 accordance with a two-year licensing period in which the licensee meets the requirements of
37 this Subsection (3).

38 (b) (i) Except as provided in this section, the continuing education requirements shall
39 require:

40 (A) that a licensee complete 24 credit hours of continuing education for every two-year
41 licensing period;

42 (B) that ~~[three]~~ 3 of the 24 credit hours described in Subsection (3)(b)(i)(A) be ethics
43 courses; and

44 (C) that the licensee complete at least half of the required hours through classroom
45 hours of insurance-related instruction.

46 (ii) The hours not completed through classroom hours in accordance with Subsection
47 (3)(b)(i)(C) may be obtained through:

48 (A) home study;

49 (B) video recording;

50 (C) experience credit; or

51 (D) ~~[other methods]~~ another method provided by rule.

52 (iii) (A) Notwithstanding Subsections (3)(b)(i)(A) and (B), a title insurance producer is
53 required to complete 12 credit hours of continuing education for every two-year licensing
54 period, with ~~[three]~~ 3 of the credit hours being ethics courses unless the title insurance producer
55 ~~[has been]~~ is licensed in this state as a title insurance producer for 20 or more consecutive
56 years.

57 (B) If a title insurance producer ~~[has been]~~ is licensed in this state as a title insurance
 58 producer for 20 or more consecutive years, the title insurance producer is required to complete
 59 ~~[six]~~ 6 credit hours of continuing education for every two-year licensing period, with ~~[three]~~ 3
 60 of the credit hours being ethics courses.

61 (C) Notwithstanding Subsection (3)(b)(iii)(A) or (B), a title insurance producer is
 62 considered to have met the continuing education requirements imposed under Subsection
 63 (3)(b)(iii)(A) or (B) if the title insurance producer:

64 (I) is an active member in good standing with the Utah State Bar;

65 (II) is in compliance with the continuing education requirements of the Utah State Bar;
 66 and

67 (III) if requested by the department, provides the department evidence that the title
 68 insurance producer complied with the continuing education requirements of the Utah State Bar.

69 (c) A licensee may obtain continuing education hours at any time during the two-year
 70 licensing period.

71 (d) (i) ~~[Beginning May 3, 1999, a]~~ A licensee is exempt from continuing education
 72 requirements under this section if:

73 (A) the licensee was first licensed before April 1, 1970;

74 (B) the licensee requests an exemption from the department; and

75 (C) the department approves the exemption.

76 (ii) If the department approves the exemption under Subsection (3)(d)(i), the licensee is
 77 not required to apply again for the exemption.

78 (e) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
 79 commissioner shall, by rule:

80 (i) publish a list of insurance professional designations whose continuing education
 81 requirements can be used to meet the requirements for continuing education under Subsection
 82 (3)(b); ~~[and]~~

83 (ii) authorize a continuing education ~~[providers and]~~ provider or a state or national
 84 professional producer or consultant ~~[associations]~~ association to:

85 (A) offer ~~[qualified programs for all license types and lines]~~ a qualified program for a
 86 license type or line of authority on a geographically accessible basis; and

87 (B) collect a reasonable ~~[fees]~~ fee for funding and administration of ~~[the]~~ a continuing

88 education program, subject to the review and approval of the commissioner[-]; and
89 (iii) provide that membership by a producer or consultant in a state or national
90 professional producer or consultant association is considered a substitute for the equivalent of
91 two hours for each year during which the producer or consultant is a member of the
92 professional association, except that the commissioner may not give more than two hours of
93 continuing education credit in a year regardless of the number of professional associations of
94 which the producer or consultant is a member.

95 [~~iii~~ ~~The fees~~] (f) A fee permitted under Subsection (3)(e)(ii)(B) that [are] is charged
96 for attendance at a professional producer or consultant association program may be less for an
97 association member, [~~based~~] on the basis of the member's affiliation expense, but shall preserve
98 the right of a nonmember to attend without affiliation.

99 (4) The commissioner shall approve a continuing education [~~providers and~~] provider or
100 continuing education [~~courses that satisfy~~] course that satisfies the requirements of this section.

101 (5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
102 commissioner shall by rule set the processes and procedures for continuing education provider
103 registration and course approval.

104 (6) The requirements of this section apply only to [~~producers or consultants who are~~
105 ~~natural persons~~] a producer or consultant who is an individual.

106 (7) A nonresident producer or consultant is considered to have satisfied this state's
107 continuing education requirements if the nonresident producer or consultant satisfies the
108 nonresident producer's or consultant's home state's continuing education requirements for a
109 licensed insurance producer or consultant.

110 (8) A producer or consultant subject to this section shall keep documentation of
111 completing the continuing education requirements of this section for two years after the end of
112 the two-year licensing period to which the continuing education applies.

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Fiscal Note

2009 General Session

State of Utah

State Impact

Enactment of this bill will not require additional appropriations.

Individual, Business and/or Local Impact

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments.
