

Bill No.: \_\_\_\_\_

Requested: \_\_\_\_\_

Committee: \_\_\_\_\_

Drafted by: Departmental

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By: **Leave Blank (By Request – Departmental – Maryland Insurance Administration)**

A BILL ENTITLED

1 AN ACT concerning

2 **Insurance – Licensure of Insurance Producers and Public Adjusters –**  
3 **Continuing Education Requirements**

4 FOR the purpose of requiring insurance producers and public adjusters to complete the  
5 continuing education required under certain provisions of law not later than a  
6 certain number of days before the expiration of the license; providing for a delayed  
7 effective date; and generally relating to the licensure of insurance producers and  
8 public adjusters.

9 BY repealing and reenacting, with amendments,  
10 Article – Insurance  
11 Section 10–116 and 10–408  
12 Annotated Code of Maryland  
13 (2017 Replacement Volume and 2018 Supplement)

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

16 **Article – Insurance**

17 10–116.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

4                   **(2)   AN INSURANCE PRODUCER SHALL COMPLETE THE CONTINUING**  
5 **EDUCATION REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION NOT LATER**  
6 **THAN 30 DAYS BEFORE THE EXPIRATION DATE OF THE INSURANCE PRODUCER’S**  
7 **LICENSE.**

8                   **[(2)] (3)**   (i)   The Commissioner may not require an individual who  
9 holds a license to receive more than 24 hours of continuing education per renewal period.

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

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

16                           (iv)   The Commissioner may not require an insurance producer to  
17 receive more than 16 hours of continuing education in a renewal period if the insurance  
18 producer is also a licensed funeral director or licensed mortician who:

19                                   1.   sells only life insurance policies or annuity contracts that  
20 fund a pre-need contract as defined in § 7-101 of the Health Occupations Article; and

21                                   2.   is not a viatical settlement broker as defined in § 8-601 of  
22 this article.

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

26                   **[(3)] (4)**   Subject to paragraph **[(4)] (5)** of this subsection, an insurance  
27 producer may satisfy the continuing education requirements of this subsection by  
28 submitting to the Commissioner or Commissioner’s designee:

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

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

- 6 1. has held a license in the State; and  
7 2. has been employed in the selling of insurance in the State.

8 **[(4)] (5)** (i) To increase the level of education of insurance producers,  
9 an insurance producer shall obtain continuing education in the kind or subdivision of  
10 insurance for which the insurance producer has received a license.

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

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

17 (iv) Each insurance producer who possesses a license to sell property  
18 and casualty insurance and who sells, solicits, or negotiates bail bonds shall receive  
19 continuing education that directly relates to bail bond insurance.

20 (v) Each insurance producer who possesses a license to sell health  
21 insurance and who markets the Senior Prescription Drug Assistance Program or assists a  
22 Medicare beneficiary to enroll in the Senior Prescription Drug Assistance Program shall  
23 receive continuing education that directly relates to the Senior Prescription Drug  
24 Assistance Program.

25 **[(5)] (6)** If continuing education is required, the Commissioner may grant  
26 a waiver to an insurance producer who has requested a waiver for reasons that the  
27 Commissioner determines warrant the waiver.

1            ~~[(6)] (7)~~      An insurer may not prohibit one of its insurance producers from  
2 obtaining continuing education credits from any course approved by the Commissioner.

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

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

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

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

12           (4)      insurance producers who hold only a limited lines license in any type of  
13 insurance designated by the Commissioner.

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

16           (1)      the nonresident licensee satisfies the continuing education  
17 requirements of the home state of the nonresident licensee; and

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

21           (d)      (1)      The Commissioner may review all continuing education courses  
22 submitted and approve or disapprove courses.

23           (2)      The Commissioner may not disapprove a continuing education course  
24 solely on the basis of the methodology or technology used to deliver instruction to  
25 individuals taking the course.

1 (d-1) (1) An insurance producer may obtain all or part of the credit hours of  
2 continuing education required for renewal of a license under this section from  
3 correspondence courses or online courses approved by the Commissioner.

4 (2) This subsection applies to all insurance producers who are required to  
5 receive continuing education as a condition of license renewal under this section, regardless  
6 of the kind or subdivision of insurance for which the insurance producer has received a  
7 license.

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

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

12 10-408.

13 (a) A license expires every other year on the date stated on the license unless  
14 renewed as provided in this section.

15 (b) At least 1 month before a license expires, the Commissioner shall send to the  
16 holder of the license, at the last known address or e-mail address of the holder on record a  
17 notice that states:

18 (1) the process for renewing the license;

19 (2) the date by which the Commissioner must receive the renewal  
20 application for the renewal to be issued and mailed before the license expires; and

21 (3) the amount of the renewal fee.

22 (c) Before a license expires, the holder of the license may renew it for an  
23 additional 2-year term, if the holder:

24 (1) otherwise is entitled to a license;

25 (2) files with the Commissioner a renewal application:

- 1 (i) on the form that the Commissioner provides; or
- 2 (ii) in an electronic format that the Commissioner approves;
- 3 (3) completes the continuing education requirements under subsection (e)
- 4 of this section; and
- 5 (4) pays to the Commissioner the renewal fee required by § 2-112 of this
- 6 article.

7 (d) A license renewed under this section for an individual shall have an expiration

8 date that is the last day of the month in which the license holder was born.

9 (e) (1) The Commissioner shall require a public adjuster who is not a business

10 entity to receive continuing education as a condition of renewing a license of the public

11 adjuster.

12 **(2) A PUBLIC ADJUSTER SHALL COMPLETE THE CONTINUING**

13 **EDUCATION REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION NOT LATER**

14 **THAN 30 DAYS BEFORE THE EXPIRATION DATE OF THE PUBLIC ADJUSTER'S**

15 **LICENSE.**

16 **[(2)] (3)** The public adjuster shall successfully complete 24 credit hours of

17 approved continuing education for each 2-year license period as a condition for license

18 renewal unless the Commissioner modifies the requirement by regulation.

19 **[(3)] (4)** Of the required hours of continuing education required for a

20 renewal period under paragraph **[(2)] (3)** of this subsection, at least 3 hours shall relate

21 directly to ethics.

22 **[(4)] (5)** The Commissioner may grant a waiver to a public adjuster who

23 has requested a waiver for reasons that the Commissioner determines warrant the waiver.

24 **[(5)] (6)** This subsection may not apply to a holder of a license who has

25 not been licensed for 1 full year before the end of the applicable continuing education period.

26 (f) A nonresident license holder shall be deemed to have met the continuing

27 education requirements of this section if:

1           (1) the nonresident license holder satisfies the continuing education  
2 requirements of the home state of the nonresident license holder; and

3           (2) the home state of the nonresident license holder allows a public adjuster  
4 who is a resident of this State to satisfy the continuing education requirements of the home  
5 state on the same basis by meeting the continuing education requirements of this State.

6           (g) (1) If mailed, an application for renewal of a license shall be considered  
7 made in a timely manner if it is postmarked on or before the expiration date of the license.

8           (2) If submitted electronically, an application for renewal shall be  
9 considered made in a timely manner if, on or before the expiration date of the license, the  
10 application:

11           (i) is addressed properly or otherwise directed properly to an  
12 information processing system that the Administration has designated or uses for the  
13 purpose of receiving electronic applications and from which the Administration is able to  
14 retrieve the application;

15           (ii) is in a form capable of being processed by that system; and

16           (iii) 1. enters an information processing system outside the  
17 control of the sender or of a person that sent the electronic application on behalf of the  
18 sender; or

19                           2. enters a region of the information processing system  
20 designated or used by the Administration that is under the control of the Administration  
21 or an agent of the Administration.

22           (h) (1) The Commissioner shall renew the license of each holder who meets the  
23 requirements of this section.

24           (2) If the holder of a license files an application for renewal before the  
25 license expires, the license shall remain in effect until:

26           (i) the Commissioner issues a renewal license; or

1                           (ii)    5 days after the Commissioner refuses in writing to renew the  
2 license and serves notice of the refusal on the holder.

3           (i)    The Commissioner may adopt regulations to carry out this section.

4           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
5 January 1, 2020.

DRAFT