

SECOND REGULAR SESSION

SENATE BILL NO. 905

97TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR SATER.

Read 1st time February 20, 2014, and ordered printed.

TERRY L. SPIELER, Secretary.

6145S.011

AN ACT

To repeal section 375.020, RSMo, and to enact in lieu thereof one new section relating to life insurance producers.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Section 375.020, RSMo, is repealed and one new section
2 enacted in lieu thereof, to be known as section 375.020, to read as follows:

375.020. 1. Beginning January 1, 2008, each insurance producer, unless
2 exempt pursuant to section 375.016, licensed to sell insurance in this state shall
3 successfully complete courses of study as required by this section. Any person
4 licensed to act as an insurance producer shall, during each two years, attend
5 courses or programs of instruction or attend seminars equivalent to a minimum
6 of sixteen hours of instruction. Of the sixteen hours' training required in this
7 subsection, the hours need not be divided equally among the lines of authority in
8 which the producer has qualified. The courses or programs attended by the
9 producer during each two-year period shall include instruction on Missouri law,
10 products offered in any line of authority in which the producer is qualified,
11 producers' duties and obligations to the department, and business ethics,
12 including sales suitability. Course credit shall be given to members of the
13 general assembly as determined by the department.

14 2. Subject to approval by the director, the courses or programs of
15 instruction which shall be deemed to meet the director's standards for continuing
16 educational requirements shall include, but not be limited to, the following:

- 17 (1) American College Courses (CLU, ChFC);
18 (2) Life Underwriters Training Council (LUTC);
19 (3) Certified Insurance Counselor (CIC);

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

- 20 (4) Chartered Property and Casualty Underwriter (CPCU);
21 (5) Insurance Institute of America (IIA);
22 (6) Any other professional financial designation approved by the director
23 by rule;
- 24 (7) An insurance-related course taught by an accredited college or
25 university or qualified instructor who has taught a course of insurance law at
26 such institution;
- 27 (8) A course or program of instruction or seminar developed or sponsored
28 by any authorized insurer, recognized producer association or insurance trade
29 association, or any other entity engaged in the business of providing education
30 courses to producers. A local producer group may also be approved if the
31 instructor receives no compensation for services.
- 32 3. A person teaching any approved course of instruction or lecturing at
33 any approved seminar shall qualify for the same number of classroom hours as
34 would be granted to a person taking and successfully completing such course,
35 seminar or program.
- 36 4. Excess hours accumulated during any two-year period may be carried
37 forward to the two-year period immediately following the two-year period in
38 which the course, program or seminar was held.
- 39 5. For good cause shown, the director may grant an extension of time
40 during which the educational requirements imposed by this section may be
41 completed, but such extension of time shall not exceed the period of one calendar
42 year. The director may grant an individual waiver of the mandatory continuing
43 education requirement upon a showing by the licensee that it is not feasible for
44 the licensee to satisfy the requirements prior to the renewal date. Waivers may
45 be granted for reasons including, but not limited to:
- 46 (1) Serious physical injury or illness;
47 (2) Active duty in the armed services for an extended period of time;
48 (3) Residence outside the United States; or
49 (4) The licensee is at least seventy years of age.
- 50 6. Every person subject to the provisions of this section shall furnish in
51 a form satisfactory to the director, written certification as to the courses,
52 programs or seminars of instruction taken and successfully completed by such
53 person. Every provider of continuing education courses authorized in this state
54 shall, within thirty working days of a licensed producer completing its approved
55 course, provide certification to the director of the completion in a format

56 prescribed by the director.

57 7. The provisions of this section shall not apply to those natural persons
58 holding licenses for any kind or kinds of insurance for which an examination is
59 not required by the law of this state, nor shall they apply to any limited lines
60 insurance producer license or restricted license as the director may exempt.

61 8. The provisions of this section shall not apply to a life insurance
62 producer who is limited by the terms of a written agreement with the insurer to
63 transact only specific life insurance policies having an initial face amount of [five]
64 **fifteen** thousand dollars or less, or annuities having an initial face amount of
65 [ten] **fifteen** thousand dollars or less, that are designated by the purchaser for
66 the payment of funeral or burial expenses. The director may require the insurer
67 entering into the written agreements with the insurance producers pursuant to
68 this subsection to certify as to the representations of the insurance producers.

69 9. Rules and regulations necessary to implement and administer this
70 section shall be promulgated by the director, including, but not limited to, rules
71 and regulations regarding the following:

72 (1) Course content and hour credits: the insurance advisory board
73 established by section 375.019 shall be utilized by the director to assist him in
74 determining acceptable content of courses, programs and seminars to include
75 classroom equivalency;

76 (2) Filing fees for course approval: every applicant seeking approval by
77 the director of a continuing education course under this section shall pay to the
78 director a filing fee of fifty dollars per course. Fees shall be waived for state and
79 local insurance producer groups. Such fee shall accompany any application form
80 required by the director. Courses shall be approved for a period of no more than
81 one year. Applicants holding courses intended to be offered for a longer period
82 must reapply for approval. Courses approved by the director prior to August 28,
83 1993, for which continuous certification is sought should be resubmitted for
84 approval sixty days before the anniversary date of the previous approval.

85 10. All funds received pursuant to the provisions of this section shall be
86 transmitted by the director to the department of revenue for deposit in the state
87 treasury to the credit of the insurance dedicated fund. All expenditures
88 necessitated by this section shall be paid from funds appropriated from the
89 insurance dedicated fund by the legislature.

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