

MAINE STATE LEGISLATURE

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114th MAINE LEGISLATURE

FIRST REGULAR SESSION - 1989

Legislative Document

No. 297

H.P. 217

House of Representatives, February 21, 1989

Submitted by the Department of Professional and Financial Regulation pursuant to Joint Rule 24.

Reference to the Committee on Business Legislation suggested and ordered printed.

Ed Pert

EDWIN H. PERT, Clerk

Presented by Representative CURRAN of Westbrook.

Cosponsored by Representative ALLEN of Washington and Senator PERKINS of Hancock.

STATE OF MAINE

IN THE YEAR OF OUR LORD
NINETEEN HUNDRED AND EIGHTY-NINE

An Act to Require Insurance Agents, Brokers and Consultants to Participate in Continuing Professional Education.



1 **Be it enacted by the People of the State of Maine as follows:**

3 **Sec. 1. 5 MRSA §12004-I, sub-§ 70-A is enacted to read:**

5 70-A. Occupations: Continuing Expenses Only 24-A MRSA
6 Insurance Education §1876
7 Advisory
8 Committee

9
11 **Sec. 2. 24-A MRSA §1532-A, sub-§5, as enacted by PL 1983, c.419, §8 is amended to read:**

13 5. Any broker, consultant or adjuster may apply to renew a
14 license issued under this chapter by written request and payment
15 to the superintendent of the applicable renewal fee as stated in
16 section 601. As a condition of or in connection with the renewal
17 of any broker, consultant, or adjuster license, the
18 superintendent may require the licensee to file with ~~him~~ the
19 superintendent information as ~~for~~ regarding application for the
20 license or as ~~to~~ the use made of the license during the current
21 or next preceding license year.

23 Upon the filing of the information required by this subsection
24 and subject to continuing education requirements established
25 under subchapter VI, the superintendent shall issue a renewal
26 license for the ensuing biennium, unless, following a hearing,
27 the superintendent determines that any reason or condition exists
28 which is specified in section 1539 for the suspension or
29 revocation of a license.

31 **Sec. 3. 24-A MRSA §1532-A, sub-§8, as amended by PL 1985, c. 366, §10, is further amended to read:**

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34 8. Each agent license, other than an initial license,
35 issued under this Title which terminates on its expiration date,
36 shall, subject to the continuing education requirements under
37 subchapter VI, be automatically renewed for a further 2-year
38 period, unless, following a hearing, the superintendent
39 determines that any reason or condition exists which is specified
40 in section 1539 for the suspension or revocation of a license.

41 **Sec. 4. 24-A MRSA c. 17, sub-c. VI is enacted to read:**

43 SUBCHAPTER VI
44
45 CONTINUING EDUCATIONAL REQUIREMENTS FOR LICENSED AGENTS, BROKERS,
46 AND CONSULTANTS

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48 **§1875. Applicability**

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50 1. This subchapter applies to licensed resident agents,
51 brokers, and consultants with respect to the following kinds of
52 insurance:

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A. Life insurance;

B. Annuities;

C. Property insurance;

D. Surety insurance; and

E. Casualty insurance.

2. This subchapter shall not apply to persons holding only resident limited licenses under section 1531.

§1876. Continuing Education Advisory Committee

The Continuing Education Advisory Committee is established and shall consist of 6 members to be appointed by the superintendent for terms of 3 years each, on a staggered term system to prevent the terms of more than 2 members from expiring in any one year. No person is eligible for appointment to the committee unless that person is an active, full-time insurance agent, broker or consultant.

§1877. Educational Requirements

As a prerequisite to renewal on or after July 1, 1992 of any license subject to this subchapter, licensees must complete 30 hours of continuing education within 2 years prior to the date of renewal in programs or courses approved by the superintendent. The superintendent may, for good cause shown, grant an extension of time to any person to allow that person to comply with this subchapter.

§1878. Program Approval

1. Each application for approval of a continuing education program shall be submitted according to the guidelines prescribed by the superintendent.

2. Courses and programs shall be approved or disapproved by the superintendent, subject to prior review and nonbinding recommendations of the Continuing Education Advisory Committee. The superintendent may, by rule, establish criteria for the review and approval of courses and for the determination of the number of continuing education hours to be credited for completion of each course or program.

§1879. Penalty

The license of any agent, broker or consultant who fails to comply with this subchapter shall not be renewed and shall terminate upon the biennial expiration date.

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§1880. Rule-making authority

The superintendent may establish by rule reasonable procedures and standards to fulfill the purposes of this subchapter.

STATEMENT OF FACT

This bill requires insurance agents, brokers and consultants to participate in continuing education programs as a condition of continued licensure. The insurance business is increasingly complex and there is a need for agents to stay abreast of developments.