House Bill No. 4705

(By Delegates H. White, Dempsey, L. White, Kominar, Cann and Romine)

Passed March 9, 2000

In Effect Ninety Days from Passage
AN ACT to amend and reenact section two-a, article twelve, chapter thirty-three of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to continuing education requirements for insurance agents.

Be it enacted by the Legislature of West Virginia:

That section two-a, article twelve, chapter thirty-three of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted to read as follows:

ARTICLE 12. AGENTS, BROKERS, SOLICITORS AND EXCESS LINE.

§33-12-2a. Continuing education required.

1 The purpose of this provision is to provide continuing education under guidelines set up under the insurance commissioner’s office, with the guidelines to be set up under the board of insurance agent education. Nothing in this section prohibits an individual from receiving commissions which have been
vested and earned while that individual maintained an approved insurance agent's license.

(a) This section applies to persons licensed to engage in the sale of the following types of insurance:

(1) Life insurance, annuity contracts, variable annuity contracts and variable life insurance;

(2) Sickness, accident and health insurance;

(3) All lines of property and casualty insurance; and

(4) All other lines of insurance for which an examination is required for licensing.

(b) This section does not apply to:

(1) Persons holding resident licenses for any kind or kinds of insurance offered in connection with loans or other credit transactions or insurance for which an examination is not required by the commissioner, nor does it apply to any limited or restricted license the commissioner may exempt; and

(2) Individuals selling credit life or credit accident and health insurance.

(c)(1) The board of insurance agent education as established by section two of this article shall develop a program of continuing insurance education and submit the proposal for the approval of the commissioner on or before the thirty-first day of December of each year. Each year after the first day of July, two thousand one, the program shall contain a requirement that any person appointed to be an agent on behalf of a licensed health maintenance organization at any time during the relevant triennium must, as a component of his or her mandatory continuing insurance education, complete a minimum of six
hours of continuing insurance education during the triennium which is on topics specific to health maintenance organizations.

No program may be approved by the commissioner that includes a requirement that any agent complete more than twenty-four hours of continuing insurance education triennially. No program may be approved by the commissioner that includes a requirement that any of the following individuals complete more than six hours of continuing insurance education triennially:

(A) Insurance agents who sell only preneed burial insurance contracts; and

(B) Insurance agents who engage solely in telemarketing insurance products by a scripted presentation which scripted presentation has been filed with and approved by the commissioner.

(2) The commissioner and the board, under standards established by the board, may approve any course or program of instruction developed or sponsored by an authorized insurer, accredited college or university, agents’ association, insurance trade association or independent program of instruction that presents the criteria and the number of hours that the board and commissioner determine appropriate for the purpose of this section.

(d) Persons licensed to sell insurance and who are not otherwise exempt shall satisfactorily complete the courses or programs of instructions the commissioner may prescribe.

e) Every person, subject to the continuing education requirements shall furnish, at intervals and on forms as may be prescribed by the commissioner, written certification listing the courses, programs or seminars of instruction successfully completed by the person. The certification shall be executed by,
or on behalf of, the organization sponsoring the courses, programs or seminars of instruction.

(f) Any person, failing to meet the requirements mandated in this section, and who has not been granted an extension of time, with respect to the requirements, or who has submitted to the commissioner a false or fraudulent certificate of compliance shall have his or her license automatically suspended and no further license may be issued to the person for any kind or kinds of insurance until the person demonstrates to the satisfaction of the commissioner that he or she has complied with all of the requirements mandated by this section and all other applicable laws or rules.

(g) The commissioner shall notify the person of his or her suspension pursuant to subsection (f) of this section by certified mail, return receipt requested, to the last address on file with the commissioner pursuant to section twenty-nine of this article. Any person who has had a suspension order entered against him or her pursuant to this section may, within thirty calendar days of receipt of the order, file with the commissioner a request for a hearing for reconsideration of the matter.

(h) Any person who does not satisfactorily demonstrate compliance with this section and all other laws applicable thereto as of the last day of the triennium following his or her suspension shall have his or her license automatically canceled and is subject to the education and examination requirements of section two of this article.

(i) The commissioner is authorized to hire personnel and make reasonable expenditures considered necessary for purposes of establishing and maintaining a system of continuing education for insurers.
That Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originating in the House.

In effect ninety days from passage.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker of the House of Delegates

The within ______ approved ______ this the ______ day of ______, 2000.

Governor
PRESENTED TO THE
GOVERNOR
Date 2/28/2000
Time 10:16 am