

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 84th General Assembly
3 Regular Session, 2003
4

A Bill

Act 1784 of 2003
HOUSE BILL 2769

5 By: Representative P. Bookout
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For An Act To Be Entitled

8 AN ACT TO IMPOSE CONTINUING EDUCATION
9 REQUIREMENTS INCLUDING ETHICS TRAINING ON
10 INSURANCE PRODUCERS; TO AMEND THE EXCEPTIONS TO
11 THE CONTINUING EDUCATION REQUIREMENTS; AND FOR
12 OTHER PURPOSES.
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Subtitle

15 AN ACT TO IMPOSE CONTINUING EDUCATION
16 REQUIREMENTS ON INSURANCE PRODUCERS.
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20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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22 SECTION 1. Arkansas Code § 23-64-301 is amended to read as follows:

23 23-64-301. Continuing education required.

24 (a) Beginning July 1, ~~1990,~~ 2003, each insurance ~~agent or broker~~
25 producer, unless exempt under § 23-64-302, licensed in this state shall
26 successfully complete courses of instruction as required by this section.

27 (b)(1) Beginning July 1, ~~1998,~~ 2003, during each annual period ~~during~~
28 of the duration of his or her license, any person licensed to act as an
29 insurance ~~agent or broker~~ producer shall satisfactorily complete courses or
30 programs of instruction equivalent to a minimum of eight (8) hours of related
31 instruction for a life license or an accident and health license, or both, or
32 a minimum of eight (8) hours of instruction for a property and casualty
33 license.

34 (2) Persons holding a dual license for life and accident and
35 health or life or accident and health and property and casualty shall also be
36 required to complete courses of instruction for a total of ten (10) hours.



1 (3)(A) Beginning July 1, 2003, as part of the continuing
 2 education described in subdivision (b)(1) and (2) of this section, during
 3 each annual period of the duration of the insurance producer's license, any
 4 person licensed to act as an insurance producer shall satisfactorily complete
 5 at least one (1) hour of training in an ethics course that is related to the
 6 business of insurance and that has been approved by the commissioner.

7 (B) The ethics training under subdivision (b)(3)(A) of
 8 this section shall count toward the producer's eight (8) hours of continuing
 9 education required under subdivision (b)(1) of this section.

10 (4)(A) As of the effective date of this subdivision(b)(4), all
 11 insurance producers holding an active license shall meet the requirements
 12 under this section, unless exempt under § 23-64-302.

13 (B) All insurance producers licensed after the effective date of
 14 the subdivision shall also meet the requirements of this section and as of
 15 the effective date of this subdivision, the exemptions contained in § 23-64-
 16 302(3) and (4) shall no longer be applicable to those insurance producers.

17 (c) The Insurance Commissioner may arrange for the administration of
 18 this subchapter or any part thereof, by independent contractor as specified
 19 by contract, in a fair and impartial manner, and without unfair
 20 discrimination as between individuals subject to this subchapter.

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 22 SECTION 2. Arkansas Code § 23-64-302 is amended to read as follows:

23 The provisions of this subchapter shall not apply to:

24 (1) Those natural persons holding licenses for any kind or kinds of
 25 insurance for which an examination is not required by the laws of this state;

26 (2) Any limited or restricted license the Insurance Commissioner may
 27 exempt;

28 (3) Any natural person who is at least sixty (60) years of age;

29 (4) Any natural person who has held an active license as an agent,
 30 solicitor, consultant, or broker for a period of at least fifteen (15)
 31 consecutive years;

32 (5) The licensee as a firm, limited liability company, or corporation,
 33 but this exception does not apply to any individual or natural person unless
 34 already exempted;

35 (6) ~~Nonresident agents or brokers~~ producers;

36 (7) Licensed insurance consultants for life, accident and health,

1 property, or casualty insurance, or for other lines of insurance; and
2 (8) Nonresident agents and brokers in the first full year of resident
3 licensing following the year after a change in the state of domicile or
4 residency to the State of Arkansas, but thereafter annually or otherwise in
5 accordance with insurance continuing education laws and rules and regulations
6 of the commissioner.

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8 SECTION 3. EMERGENCY CLAUSE. It is found and determined by the
9 General Assembly of the State of Arkansas that the current insurance market
10 is volatile; that current insurance laws do not require insurance producers
11 to obtain continuing education hours; that to protect consumers, insurance
12 producers need to obtain continuing education hours that include at least (1)
13 hour in ethics training; and that this act is immediately necessary to ensure
14 that insurance producers are adequately informed of industry developments and
15 to protect insurance purchasers in a volatile market. Therefore, an
16 emergency is declared to exist and this act being immediately necessary for
17 the preservation of the public peace, health, and safety shall become
18 effective on July 1, 2003.

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21 APPROVED: 4/22/2003
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