

VIRGINIA ACTS OF ASSEMBLY -- 1994 SESSION

CHAPTER 175

An Act to amend and reenact §§ 38.2-1866, 38.2-1868, 38.2-1869, 38.2-1871, and 38.2-1874 of the Code of Virginia, relating to insurance agents; continuing education requirements.

[S 83]

Approved April 2, 1994

Be it enacted by the General Assembly of Virginia:

1. That §§ 38.2-1866, 38.2-1868, 38.2-1869, 38.2-1871, and 38.2-1874 of the Code of Virginia are amended and reenacted as follows:

§ 38.2-1866. Continuing education requirements.

A. Every resident and nonresident (i) insurance consultant, (ii) health insurance agent, (iii) life and health insurance agent, (iv) property and casualty insurance agent, and (v) title insurance agent shall, on a biennial basis, furnish evidence to the Commission in a manner prescribed by the Commission that the continuing education requirements of this article have been satisfied.

B. Any agent who holds one type of license subject to this section shall complete sixteen hours of continuing education credits. Any agent who holds more than one type of license subject to this section shall complete twenty-four hours of continuing education credits with a minimum of eight credit hours in each license type. Of the *total* required credits for ~~any of the licenses each biennium~~, two credit hours shall be in ~~Virginia~~ insurance law and regulations *applicable in Virginia*. Agents may receive no more than seventy-five percent of their required credits from insurance company or agency-sponsored courses.

§ 38.2-1868. Biennial continuing education required.

An agent shall meet the continuing education requirements pursuant to this article prior to December 31, 1994, and in each even-numbered year thereafter. Credits for educational courses or programs of instruction attended within twelve months prior to January 1, 1993, may be approved at the discretion of the Board. ~~Agents who have completed the required pre-licensing study course during a biennium pursuant to § 38.2-1816 will be exempt from meeting the continuing education requirements for that biennium.~~

§ 38.2-1869. Failure to satisfy requirements; termination of license.

A. Failure of an agent to satisfy the requirements of this article by the last day of each even-numbered year beginning December 31, 1994, either by obtaining the continuing education credits required and furnishing evidence of same to the Board or its administrator as required by this article, *or by furnishing to the Board acceptable evidence of exemption from the requirements of this article*, or by obtaining, in a manner prescribed by the Board pursuant to this article, a waiver of the requirements for that biennium, shall result in the administrative termination of each license held by the agent for which the requirement was not satisfied. No such administrative termination shall become effective until the Commission has provided thirty days' written notice of such impending termination to the agent by regular mail sent to the agent at the *agent's* last known residence address as shown in the Commission's records. The thirty-day notice period shall commence on the date that the written notice is deposited in the United States Mail. During such thirty-day period, the agent may provide proof of compliance with the requirements of this article, in a manner and form acceptable to the Commission.

B. No *resident or nonresident* agent whose license has been terminated under the terms of this section shall be permitted to make application for a new license prior to the expiration of a period of ninety days from the date of termination of such license. No *resident or nonresident* agent applying for a license after termination of a previous license pursuant to this section shall be issued a license unless the agent has successfully completed, subsequent to such license termination, ~~the any~~ study course required by § 38.2-1816 and the examination required by § 38.2-1817. In such an event, these study course and examination requirements shall not be subject to waiver under any circumstances, including those set forth in §§ 38.2-1816 ~~and~~, 38.2-1817, 38.2-1836, and 38.2-1845.

§ 38.2-1871. Licensees exempt from continuing education requirements of article.

A. *The following licensees are exempt from fulfilling the continuing education credit requirements set forth in this article for the biennium in which such licenses are issued:*

1. *Resident agents who have successfully passed the required examination for a license during a biennium pursuant to § 38.2-1817 will be exempt from meeting the continuing education requirements for that license for that biennium; and*

2. *Resident or nonresident agents who have been issued a license during the last twelve months of the biennium, and who are not otherwise exempt from the continuing education requirements for that license, shall have such requirements waived for that license for that biennium.*

B. The following licensees are exempt from fulfilling the continuing education credit requirements set forth in this article:

1. Life and health insurance consultants who are licensed as life and health agents and who satisfy

the continuing education requirements needed for continuation of their life and health agent license;

2. Property and casualty insurance consultants who are also licensed as property and casualty agents and who satisfy the continuing education requirements needed for continuation of their property and casualty agent license;

3. Agents who *will* have attained at least the age of sixty-five *by the end of a biennium* with respect to any license that they have held continuously for at least twenty years, subject to submission of a request for permanent exemption prior to the end of a biennium during which they satisfy the exemption requirements; and

4. Nonresident agents who *reside in states requiring continuing education for their resident insurance producers, and who* furnish evidence of their compliance with *such* continuing education requirements in their state of residence, provided that the insurance supervisory official of the nonresident agent's state of residence will grant similar exemptions to Virginia residents who have satisfied Virginia's continuing education requirements.

§ 38.2-1874. Continuing education program; plan of operation; approval by Commission.

A. The Board shall submit to the Commission a plan of operation which provides for the fair and nondiscriminatory administration of the continuing insurance education program established pursuant to this article. Such plan shall not become effective until approved by the Commission in writing. The plan of operation shall:

1. Establish procedures for exercising the powers and duties of the Board;
2. Establish procedures for handling the assets of the continuing insurance education program;
3. Establish the amount and method of reimbursing members of the Board for the necessary expenses incurred in the performance of their official duties;
4. Establish regular places and times for meetings of the Board;
5. Establish procedures for records to be kept of all financial transactions of the Board and administrator;
6. Establish procedures for the election of Board officers;
7. Provide a reasonable means whereby any person aggrieved by the action of the Board or administrator may, after written request, be heard in person or by an authorized representative to review the grievance. If the Board or its administrator fails to grant or reject the grievance within thirty days after it is made, the applicant may proceed in the same manner as if his application had been rejected. Any person adversely affected by the action of the Board or its administrator on such request may, within thirty days after written notice of the action, appeal to the Commission. The Commission may affirm or reverse the action upon not less than ten days' written notice to the applicant and to the Board or its administrator; and
8. Contain additional provisions necessary or proper for the execution of the powers and duties of the Board including but not limited to (i) program requirements and approved programs of study; (ii) qualifications and responsibilities of course instructors; (iii) management and record-keeping responsibilities; (iv) fee schedules and filing requirements; and (v) course refund policies and procedures.

B. If the Commission disapproves all or any part of the proposed plan of operation, the Board shall within fifteen days submit for review an appropriate revised plan of operation. If the Board fails to do so, the Commission shall promulgate a plan of operation. The plan of operation approved or promulgated by the Commission shall become effective and operational upon order of the Commission. Amendments to the plan of operation may be made by the Board, subject to the approval of the Commission.

C. A regular meeting of the Board shall be held at least annually at such time, date, and place approved by the Board. Special meetings may be called at any time by the chairman. Notices of all regular and special meetings shall be sent to each person serving as a representative on the Board or a subcommittee of the Board and to the Commission. Each notice shall state the purpose of the meeting and include any proposed changes in rules or procedures. Any such meeting notices shall be given by ordinary mail at least twenty days prior to the date of the meeting. The twenty-day notice period shall commence on the date of mailing the notice.

D. The books of account, records, reports and other documents of the Board and its administrator shall be open to the Commission for examination at all reasonable hours.

E. *Members of the Board shall not be subject to any personal liability with respect to the administration of the insurance continuing education program.*

2. That an emergency exists and this act is in force from its passage.