



## 1995 ASSEMBLY BILL 390

May 23, 1995 – Introduced by Representatives PROSSER, ALBERS, KREIBICH, DOBYNS, GOETSCH, GARD, OTT, OWENS, OLSEN, GROBSCHMIDT, DUFF, F. LASEE, FREESE, SILBAUGH, BALDUS, SCHNEIDERS, GREEN, AINSWORTH, UNDERHEIM, KLUSMAN, PLOMBON, KAUFERT, HANSON, URBAN, LORGE, HOVEN, SERATTI and JENSEN, cosponsored by Senators LEEAN, HUELSMAN, PETAK, RUDE, WEEDEN, SCHULTZ and PANZER. Referred to Committee on Insurance, Securities and Corporate Policy.

- 1     **AN ACT to amend** 628.04 (3) and 628.10 (2) (a); and **to create** 601.31 (1) (x) of the  
2     statutes; **relating to:** continuing education requirements for insurance  
3     intermediaries and granting rule-making authority.

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### *Analysis by the Legislative Reference Bureau*

Under current law, the commissioner of insurance may by rule prescribe educational prerequisites for insurance intermediaries (generally, insurance agents) and may by rule set continuing education standards for intermediaries, but may not require a licensed intermediary to complete more than 15 hours of study in a one-year period. The commissioner may also suspend the license of an intermediary who fails to produce evidence of compliance with any continuing education standards set by the commissioner.

This bill authorizes the commissioner to approve organizations that may offer prelicensing or continuing education courses or programs and to approve the courses that an approved organization may offer. The bill requires an organization that is approved by the commissioner to pay a fee set by the commissioner by rule, but not exceeding \$500, for the issuance of the approval. The bill also requires approved organizations to pay an annual amount set by the commissioner by rule, but not exceeding \$100, for renewal of their approvals, and requires approved organizations to pay a fee set by the commissioner by rule, but not exceeding \$25 per credit hour, for each prelicensing or continuing education course that the organization submits for initial approval or approval of a subsequent modification. The bill also changes the number of continuing education hours that the commissioner may require a licensed intermediary to complete to no more than 30 hours in a 2-year period. Finally, the bill provides that if an intermediary whose license is suspended for failure to produce evidence of compliance with continuing education standards produces such evidence within 60 days after the license is suspended, the license is reinstated, effective on the date of the suspension. If the intermediary does not

produce evidence of compliance within 60 days, however, the license is revoked and the intermediary must satisfy all original licensing requirements to be relicensed.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

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***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

1           **SECTION 1.** 601.31 (1) (x) of the statutes is created to read:

2           601.31 (1) (x) 1. For issuing approval to an organization to offer prelicensing  
3 or continuing education courses or programs for intermediaries under s. 628.04 (3),  
4 a fee to be set by the commissioner by rule, but not to exceed \$500.

5           2. By organizations approved under subd. 1., for renewing the approval of such  
6 organizations, annually after the year in which the approval under subd. 1. is issued,  
7 an amount to be set and paid at times and under procedure set by the commissioner  
8 by rule, but not to exceed \$100.

9           3. By organizations approved under subd. 1., for submitting, for initial  
10 approval or approval of any subsequent modification, each course for prelicensing or  
11 continuing education, a fee to be set by the commissioner by rule, but not to exceed  
12 \$25 per credit hour.

13           **SECTION 2.** 628.04 (3) of the statutes is amended to read:

14           628.04 (3) CLASSIFICATION AND EXAMINATION. The commissioner may by rule  
15 prescribe classifications of intermediaries in addition to agent and surplus lines  
16 agent or broker, by kind of authority, or kind of insurance, or in other ways, and may  
17 prescribe different standards of competence, including examinations and  
18 educational prerequisites, for each class. The commissioner may by rule set  
19 prelicensing and annual continuing education standards, but may not require a  
20 licensed intermediary to complete a course of study requiring more than ~~15~~ 30 hours,

1 per license, of approved continuing education, including continuing education  
2 programs approved by the commissioner and presented by the insurers, in any  
3 ~~one-year~~ 2-year period. The commissioner may approve courses or programs that  
4 an applicant for an intermediary's license may attend to fulfill a prelicensing  
5 education requirement, or that a licensed intermediary may attend to fulfill a  
6 continuing education requirement, and may approve organizations that may offer  
7 approved courses or programs. The commissioner may, by rule, exempt any class of  
8 intermediaries from the continuing education requirements. So far as practicable,  
9 the commissioner shall issue a single license to each individual intermediary for a  
10 single fee.

11 **SECTION 3.** 628.10 (2) (a) of the statutes is amended to read:

12 628.10 (2) (a) *For failure to comply with continuing education requirements.*

13 The commissioner may by order suspend the license of any intermediary who fails  
14 to produce evidence of compliance with continuing education standards set by the  
15 commissioner. If an intermediary whose license has been suspended under this  
16 paragraph produces evidence of compliance within 60 days after the date on which  
17 the license is suspended, the commissioner shall reinstate the license effective on the  
18 date of suspension. If such an intermediary does not produce evidence of compliance  
19 within 60 days, the license is revoked and the intermediary may be relicensed only  
20 after satisfying all requirements under s. 628.04.

21 (END)