

## **IC 27-1-15.7**

### **Chapter 15.7. Insurance Producer License Renewal**

#### **IC 27-1-15.7-0.1**

##### **Application of certain amendments to chapter**

Sec. 0.1. The amendments made to section 2 of this chapter by P.L.60-2005 apply to renewal of an insurance producer license after June 30, 2005.

*As added by P.L.220-2011, SEC.424.*

#### **IC 27-1-15.7-1**

##### **Applicability of definitions**

Sec. 1. The definitions in IC 27-1-15.6-2 apply throughout this chapter.

*As added by P.L.132-2001, SEC.4.*

#### **IC 27-1-15.7-2**

##### **License renewal**

Sec. 2. (a) Except as provided in subsection (b), to renew a license issued under IC 27-1-15.6, a resident insurance producer must complete at least twenty-four (24) hours of credit in continuing education courses. If the insurance producer has a qualification described in IC 27-1-15.6-7(a)(1), IC 27-1-15.6-7(a)(2), or IC 27-1-15.6-7(a)(5), for a license renewal that occurs after June 30, 2014, at least three (3) of the hours of credit required by this subsection must be related to ethical practices in the marketing and sale of life, health, or annuity insurance products. An attorney in good standing who is admitted to the practice of law in Indiana and holds a license issued under IC 27-1-15.6 may complete all or any number of hours of continuing education required by this subsection by completing an equivalent number of hours in continuing legal education courses that are related to the business of insurance.

(b) Except as provided in subsection (c), to renew a license issued under IC 27-1-15.6, a limited lines producer with a title qualification under IC 27-1-15.6-7(a)(8) must complete at least seven (7) hours of credit in continuing education courses related to the business of title insurance with at least one (1) hour of instruction in a structured setting or comparable self-study in each of the following:

- (1) Ethical practices in the marketing and selling of title insurance.
- (2) Title insurance underwriting.
- (3) Escrow issues.
- (4) Principles of the federal Real Estate Settlement Procedures Act (12 U.S.C. 2608).

An attorney in good standing who is admitted to the practice of law in Indiana and holds a license issued under IC 27-1-15.6 with a title qualification under IC 27-1-15.6-7(a)(8) may complete all or any number of hours of continuing education required by this subsection

by completing an equivalent number of hours in continuing legal education courses related to the business of title insurance or any aspect of real property law.

(c) The following insurance producers are not required to complete continuing education courses to renew a license under this chapter:

(1) A limited lines producer who is licensed without examination under IC 27-1-15.6-18(1).

(2) A limited line credit insurance producer.

(3) A nonresident limited lines producer with a title qualification:

(A) whose home state requires continuing education for a title qualification; and

(B) who has met the continuing education requirements described in clause (A).

(d) To satisfy the requirements of subsection (a) or (b), a licensee may use only those credit hours earned in continuing education courses completed by the licensee:

(1) after the effective date of the licensee's last renewal of a license under this chapter; or

(2) if the licensee is renewing a license for the first time, after the date on which the licensee was issued the license under this chapter.

(e) If an insurance producer receives qualification for a license in more than one (1) line of authority under IC 27-1-15.6, the insurance producer may not be required to complete a total of more than twenty-four (24) hours of credit in continuing education courses to renew the license.

(f) Except as provided in subsection (g), a licensee may receive credit only for completing the following continuing education courses:

(1) Continuing education courses that have been approved by the commissioner under section 4 of this chapter.

(2) Continuing education courses that are required for the licensee under IC 27-19-4-14.

(g) A licensee who teaches a course approved by the commissioner under section 4 of this chapter shall receive continuing education credit for teaching the course.

(h) When a licensee renews a license issued under this chapter, the licensee must submit:

(1) a continuing education statement that:

(A) is in a format authorized by the commissioner;

(B) is signed by the licensee under oath; and

(C) lists the continuing education courses completed by the licensee to satisfy the continuing education requirements of this section; and

(2) any other information required by the commissioner.

(i) A continuing education statement submitted under subsection (h) may be reviewed and audited by the department.

(j) A licensee shall retain a copy of the original certificate of completion received by the licensee for completion of a continuing education course.

(k) A licensee who completes a continuing education course that:

- (1) is approved by the commissioner under section 4 of this chapter;
- (2) is held in a classroom setting; and
- (3) concerns ethics;

shall receive continuing education credit not to exceed four (4) hours in a renewal period.

*As added by P.L.132-2001, SEC.4. Amended by P.L.1-2002, SEC.109; P.L.64-2004, SEC.25; P.L.60-2005, SEC.1; P.L.73-2006, SEC.1; P.L.173-2007, SEC.14; P.L.11-2011, SEC.13; P.L.81-2012, SEC.4; P.L.276-2013, SEC.15; P.L.278-2013, SEC.21.*

### **IC 27-1-15.7-2.5**

#### **Waiver of licensure and continuing education requirements**

Sec. 2.5. The commissioner shall, not later than September 1, 2005, establish a policy to allow a waiver of the:

- (1) continuing education requirements of this chapter; and
- (2) license renewal requirements of IC 27-1-15.6 and this chapter;

for an insurance producer who is serving on active duty in the armed forces of the United States in an area designated as a combat zone by the President of the United States.

*As added by P.L.56-2005, SEC.1 and P.L.60-2005, SEC.2.*

### **IC 27-1-15.7-3**

#### **Extension for continuing education requirements**

Sec. 3. (a) The commissioner may grant an extension for complying with the continuing education requirement set forth in section 2 of this chapter.

(b) To receive an extension under this section, a licensee must:

- (1) file a request with the commissioner on a form provided by the commissioner; and
- (2) submit with the request an extension fee of twenty-five dollars (\$25) for deposit in the department of insurance fund under IC 27-1-3-28.

(c) After a licensee files a request for an extension, the license of the licensee remains in effect until the commissioner makes a decision on the request.

(d) If the commissioner denies a licensee's request for an extension, the licensee must complete continuing education requirements set forth in section 2 of this chapter within ninety (90) days after the commissioner notifies the licensee of the denial.

*As added by P.L.132-2001, SEC.4. Amended by P.L.81-2012, SEC.5.*

### **IC 27-1-15.7-4**

#### **Approval of continuing education courses**

Sec. 4. (a) The commissioner shall approve and disapprove continuing education courses after considering recommendations made by the insurance producer education and continuing education advisory council created under section 6 of this chapter.

(b) The commissioner may not approve a course under this section if the course:

- (1) is designed to prepare an individual to receive an initial license under this chapter;
- (2) concerns only routine, basic office skills, including filing, keyboarding, and basic computer skills;
- (3) concerns sales promotion and sales techniques;
- (4) concerns motivation, psychology, or time management; or
- (5) may be completed by a licensee without supervision by an instructor, unless the course involves an examination process that is:
  - (A) completed and passed by the licensee as determined by the provider of the course; and
  - (B) approved by the commissioner.

(c) The commissioner shall approve a course under this section that is submitted for approval by an insurance trade association or professional insurance association if:

- (1) the objective of the course is to educate a manager or an owner of a business entity that is required to obtain an insurance producer license under IC 27-1-15.6-6(d);
- (2) the course teaches insurance producer management and is designed to result in improved efficiency in insurance producer operations, systems use, or key functions;
- (3) the course is designed to benefit consumers; and
- (4) the course is not described in subsection (b).

(d) Approval of a continuing education course under this section shall be for a period of not more than two (2) years.

(e) A prospective provider of a continuing education course shall pay:

- (1) a fee of forty dollars (\$40) for each course submitted for approval of the commissioner under this section; or
- (2) an annual fee of five hundred dollars (\$500) not later than January 1 of a calendar year, which entitles the prospective provider to submit an unlimited number of courses for approval of the commissioner under this section during the calendar year.

The commissioner may waive all or a portion of the fee for a course submitted under a reciprocity agreement with another state for the approval or disapproval of continuing education courses. Fees collected under this subsection shall be deposited in the department of insurance fund established under IC 27-1-3-28.

(f) The commissioner shall adopt rules under IC 4-22-2 to establish procedures for approving continuing education courses.  
*As added by P.L.132-2001, SEC.4. Amended by P.L.57-2005, SEC.1.*

#### **IC 27-1-15.7-5**

### **Certified prelicensing courses of study**

Sec. 5. (a) To qualify as a certified prelicensing course of study for purposes of IC 27-1-15.6-6, an insurance producer program of study must meet all of the following criteria:

- (1) Be conducted or developed by an:
  - (A) insurance trade association;
  - (B) accredited college or university;
  - (C) educational organization certified by the insurance producer education and continuing education advisory council; or
  - (D) insurance company licensed to do business in Indiana.
- (2) Provide for self-study or instruction provided by an approved instructor in a structured setting, as follows:
  - (A) For life insurance producers, not less than twenty (20) hours of instruction in a structured setting or comparable self-study on:
    - (i) ethical practices in the marketing and selling of insurance;
    - (ii) requirements of the insurance laws and administrative rules of Indiana; and
    - (iii) principles of life insurance.
  - (B) For health insurance producers, not less than twenty (20) hours of instruction in a structured setting or comparable self-study on:
    - (i) ethical practices in the marketing and selling of insurance;
    - (ii) requirements of the insurance laws and administrative rules of Indiana; and
    - (iii) principles of health insurance.
  - (C) For life and health insurance producers, not less than forty (40) hours of instruction in a structured setting or comparable self-study on:
    - (i) ethical practices in the marketing and selling of insurance;
    - (ii) requirements of the insurance laws and administrative rules of Indiana;
    - (iii) principles of life insurance; and
    - (iv) principles of health insurance.
  - (D) For property and casualty insurance producers, not less than forty (40) hours of instruction in a structured setting or comparable self-study on:
    - (i) ethical practices in the marketing and selling of insurance;
    - (ii) requirements of the insurance laws and administrative rules of Indiana;
    - (iii) principles of property insurance; and
    - (iv) principles of liability insurance.
  - (E) For personal lines producers, a minimum of twenty (20) hours of instruction in a structured setting or comparable

self-study on:

- (i) ethical practices in the marketing and selling of insurance;
- (ii) requirements of the insurance laws and administrative rules of Indiana; and
- (iii) principles of property and liability insurance applicable to coverages sold to individuals and families for primarily noncommercial purposes.

(F) For title insurance producers, not less than ten (10) hours of instruction in a structured setting or comparable self-study on:

- (i) ethical practices in the marketing and selling of title insurance;
- (ii) requirements of the insurance laws and administrative rules of Indiana;
- (iii) principles of title insurance, including underwriting and escrow issues; and
- (iv) principles of the federal Real Estate Settlement Procedures Act (12 U.S.C. 2608).

(G) For annuity product producers, not less than four (4) hours of instruction in a structured setting or comparable self-study on:

- (i) types and classifications of annuities;
- (ii) identification of the parties to an annuity;
- (iii) the manner in which fixed, variable, and indexed annuity contract provisions affect consumers;
- (iv) income taxation of qualified and non-qualified annuities;
- (v) primary uses of annuities; and
- (vi) appropriate sales practices, replacement, and disclosure requirements.

(3) Instruction provided in a structured setting must be provided only by individuals who meet the qualifications established by the commissioner under subsection (b).

(b) The commissioner, after consulting with the insurance producer education and continuing education advisory council, shall adopt rules under IC 4-22-2 prescribing the criteria that a person must meet to render instruction in a certified prelicensing course of study.

(c) The commissioner shall adopt rules under IC 4-22-2 prescribing the subject matter that an insurance producer program of study must cover to qualify for certification as a certified prelicensing course of study under this section.

(d) The commissioner may make recommendations that the commissioner considers necessary for improvements in course materials.

(e) The commissioner shall designate a program of study that meets the requirements of this section as a certified prelicensing course of study for purposes of IC 27-1-15.6-6.

(f) For each person that provides one (1) or more certified

prelicensing courses of study, the commissioner shall annually determine, of all individuals who received classroom instruction in the certified prelicensing courses of study provided by the person, the percentage who passed the examination required by IC 27-1-15.6-5. The commissioner shall determine only one (1) passing percentage under this subsection for all lines of insurance described in IC 27-1-15.6-7(a) for which the person provides classroom instruction in certified prelicensing courses of study.

(g) The commissioner may, after notice and opportunity for a hearing, do the following:

(1) Withdraw the certification of a course of study that does not maintain reasonable standards, as determined by the commissioner for the protection of the public.

(2) Disqualify a person that is currently qualified under subsection (b) to render instruction in a certified prelicensing course of study from rendering the instruction if the passing percentage calculated under subsection (f) is less than forty-five percent (45%).

(h) Current course materials for a prelicensing course of study that is certified under this section must be submitted to the commissioner upon request, but not less frequently than once every three (3) years. *As added by P.L.132-2001, SEC.4. Amended by P.L.64-2004, SEC.26; P.L.11-2011, SEC.14; P.L.115-2011, SEC.9; P.L.81-2012, SEC.6.*

#### **IC 27-1-15.7-6**

##### **Insurance producer education and continuing education advisory council**

Sec. 6. (a) As used in this section, "council" refers to the insurance producer education and continuing education advisory council created under subsection (b).

(b) The insurance producer education and continuing education advisory council is created within the department. The council consists of the commissioner and fifteen (15) members appointed by the governor as follows:

(1) Two (2) members recommended by the Professional Insurance Agents of Indiana.

(2) Two (2) members recommended by the Independent Insurance Agents of Indiana.

(3) Two (2) members recommended by the Indiana Association of Insurance and Financial Advisors.

(4) Two (2) members recommended by the Indiana State Association of Health Underwriters.

(5) Two (2) representatives of direct writing or exclusive producer's insurance companies.

(6) One (1) representative of the Association of Life Insurance Companies.

(7) One (1) member recommended by the Insurance Institute of Indiana.

- (8) One (1) member recommended by the Indiana Land Title Association.
  - (9) Two (2) other individuals.
  - (c) Members of the council serve for a term of three (3) years. Members may not serve more than two (2) consecutive terms.
  - (d) Before making appointments to the council, the governor must:
    - (1) solicit; and
    - (2) select appointees to the council from; nominations made by organizations and associations that represent individuals and corporations selling insurance in Indiana.
  - (e) The council shall meet at least semiannually.
  - (f) A member of the council is entitled to the minimum salary per diem provided under IC 4-10-11-2.1(b). A member is also entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the state department of administration and approved by the state budget agency.
  - (g) The council shall review and make recommendations to the commissioner with respect to course materials, curriculum, and credentials of instructors of each prelicensing course of study for which certification by the commissioner is sought under section 5 of this chapter and shall make recommendations to the commissioner with respect to educational requirements for insurance producers.
  - (h) A member of the council or designee of the commissioner shall be permitted access to any classroom while instruction is in progress to monitor the classroom instruction.
  - (i) The council shall make recommendations to the commissioner concerning the following:
    - (1) Continuing education courses for which the approval of the commissioner is sought under section 4 of this chapter.
    - (2) Rules proposed for adoption by the commissioner that would affect continuing education.
- As added by P.L.132-2001, SEC.4. Amended by P.L.64-2004, SEC.27; P.L.73-2006, SEC.2.*

#### **IC 27-1-15.7-7**

##### **Rules**

Sec. 7. The commissioner may adopt rules under IC 4-22-2 to implement this chapter.

*As added by P.L.132-2001, SEC.4.*

#### **IC 27-1-15.7-8**

##### **Hearings**

Sec. 8. All hearings held under this chapter are governed by IC 4-21.5-3. The commissioner may appoint members of the commissioner's staff to act as hearing officers for purposes of hearings held under this chapter.

*As added by P.L.132-2001, SEC.4.*