

BILL ANALYSIS

C.S.H.B. 3703
By: Gooden
Insurance
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties contend that it would be beneficial to have greater uniformity across states with regard to insurance adjuster continuing education requirements. C.S.H.B. 3703 seeks to contribute to this uniformity by providing for a waiver of certain state continuing education requirements for an adjuster who receives a certificate of completion of a continuing education program that meets certain requirements issued by a professional organization of adjusters.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 3703 amends the Insurance Code to require the Texas Department of Insurance to waive any continuing education requirement imposed under provisions relating to insurance adjusters or under general continuing education provisions relating to the regulation of professionals for an adjuster who, during the license period for which the continuing education is required, receives a certificate of completion of a continuing education program issued by a professional organization of adjusters if the number of hours required to complete the continuing education program is not less than the number of hours of continuing education that an adjuster is required to complete during the license period under applicable provisions regarding continuing education requirements based on the type of license held and regarding continuing education requirements in ethics and if the content of the continuing education program includes the content required for adjusters. The bill requires the commissioner of insurance, not later than December 1, 2017, to adopt the rules necessary to implement the bill's provisions and applies the bill to continuing education requirements for an insurance adjuster's license period beginning on or after January 1, 2018.

EFFECTIVE DATE

September 1, 2017.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 3703 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

SECTION 3. Sec. 4101.060, Insurance Code, is amended to read as follows:

(c) The department may waive any continuing education requirement imposed under this chapter for;

(1) a nonresident adjuster who holds a valid license from another state if the state has continuing education requirements substantially equivalent to the requirements for a license issued under this chapter; or

(2) a resident or nonresident adjuster who holds a certification from a nationally recognized insurance claims association with at least 10,000 members and 5 years or more experience providing extensive adjuster educational and training services and determined by the commissioner to require, as a condition to maintenance of such certification, continuing education requirements equal to or exceeding the requirements of § 4101.059, Insurance Code.

No equivalent provision. (But see SECTION 3 above.)

No equivalent provision.

HOUSE COMMITTEE SUBSTITUTE

No equivalent provision. (But see SECTION 1 below.)

SECTION 1. Section 4101.060, Insurance Code, is amended by adding Subsection (d) to read as follows:

(d) Notwithstanding Section 4004.051, the department shall waive any continuing education requirement imposed under this chapter or Chapter 4004 for an adjuster who, during the license period for which the continuing education is required, receives a certificate of completion of a continuing education program issued by a professional organization of adjusters if:

(1) the number of hours required to complete the continuing education program is not less than the number of hours of continuing education that an adjuster is required to complete during the license period under Sections 4004.053 and 4004.054; and

(2) the content of the continuing education program includes the content required under Section 4004.105.

SECTION 2. (a) Not later than December 1, 2017, the commissioner of insurance shall adopt the rules necessary to implement Section 4101.060(d), Insurance Code, as added by this Act.

(b) The change in law made by Section

4101.060(d), as added by this Act, applies to continuing education requirements for an insurance adjuster's license period beginning on or after January 1, 2018.

SECTION 4. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

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