

BILL ANALYSIS

Senate Research Center

H.B. 2154
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State Affairs
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

During the 81st Legislature, changes were made to the Insurance Code in response to a Texas Department of Insurance biennial report citing a high number of consumer complaints regarding complex insurance products and the need for additional continuing education requirements. H.B. 2154 clarifies the changes made by the 81st Legislature.

H.B. 2154 amends current law relating to certain continuing education requirements for agents who sell Medicare-related products and annuities.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 4004.155, Insurance Code, as added by Chapter 326 (H.B. 739), Acts of the 81st Legislature, Regular Session, 2009, as follows:

Sec. 4004.155. New heading: CERTAIN EXEMPTIONS APPLICABLE. Provides that the continuing education exemptions for certain agents established under Section 4004.052(b) (relating to exempting an individual that has continuously held a license issued under this code for at least 20 years) and Section 9.02(e) (relating to exempting an individual that has continuously held a license issued under this code for at least 20 years), Chapter 703 (S.B. 414), Acts of the 77th Legislature, Regular Session, 2001, apply, rather than do not apply, to requirements under this subchapter.

SECTION 2. Amends Section 4004.202, Insurance Code, by amending Subsection (b) and adding Subsection (d), as follows:

(b) Requires each agent described by Subsection (a) (relating to this section applying to a resident agent who meets certain requirements) to complete eight hours of continuing education that specifically relates to annuities during the agent's two-year licensing period, rather than four hours of continuing education annually. Deletes existing text requiring the annual period to be based on the agent's license expiration date or another date specified by the commissioner of insurance by rule, and the education requirement under this subsection to be met within that annual period, notwithstanding Section 4004.051(b) (relating to requiring that all continuing education hours be completed before the expiration date of the individual's license).

(d) Provides that the continuing education exemptions for certain agents established under Section 4004.052(b) and Section 9.02(e), Chapter 703 (S.B. 414), Acts of the 77th Legislature, Regular Session, 2001, apply to the requirements under this subchapter.

SECTION 3. Effective date: September 1, 2011.