

BILL ANALYSIS

S.B. 265
By: Williams
Insurance
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Currently, the Texas Department of Insurance (TDI) lacks the authority to grant continuing education credits for membership in professional associations.

As proposed, S.B. 265 allows the commissioner of insurance to authorize TDI to grant up to four hours of continuing education credit to an agent who is an active member of a state or national insurance association. The credits granted under the authority of this bill may not be used to satisfy the classroom or ethics requirements of continuing education.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the commissioner of insurance in SECTION 1 (Section 4004.0535, Insurance Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter B, Chapter 4004, Insurance Code, as effective April 1, 2005, by adding Section 4004.0535, as follows:

Sec. 4004.0535. CONTINUING EDUCATION CREDIT FOR PARTICIPATION IN CERTAIN ASSOCIATIONS. (a) Authorizes the commissioner of insurance (commissioner) to authorize, by rule, the Texas Department of Insurance to grant not more than four hours of continuing education credit to an agent who is an active member of a state or national insurance association.

(b) Requires the commissioner, by rule, to specify the types of associations that constitute state or national insurance associations and establish reasonable requirements for active participation in such an association.

(c) Prohibits an agent from using continuing education credit granted under this section to satisfy certain education requirements.

SECTION 2. Requires the commissioner to adopt rules as required by Section 4004.0535, Insurance Code, as added by this Act, not later than December 31, 2005.

SECTION 3. Makes application of this Act prospective to January 1, 2006.

SECTION 4. Effective date: September 1, 2005.

EFFECTIVE DATE

September 1, 2005. The Act applies beginning with January 1, 2006.