

SUBJECT: Waiving continuing education requirements for certain adjusters

COMMITTEE: Insurance — committee substitute recommended

VOTE: 9 ayes — Phillips, Muñoz, R. Anderson, Gooden, Oliverson, Paul, Sanford, Turner, Vo

0 nays

WITNESSES: For — Adam Potter, CLM; Joel Moore; (*Registered, but did not testify:* Paul Martin, National Association of Mutual Insurance Companies)

Against — None

On — (*Registered, but did not testify:* Elijio Salas and Jamie Walker, Texas Department of Insurance)

BACKGROUND: Insurance Code, sec. 4004.053, requires a licensed insurance adjuster to complete 24 hours of education during the license period, and sec. 4004.054 requires a licensed insurance adjuster to complete two hours of ethics during each license renewal period.

Observers note that many states have reciprocal licensing requirements with Texas and some require no continuing education hours or fewer hours than Texas. Some adjusters also are licensed in multiple states and have completed continuing education as part of a national certification. Some have suggested waiving continuing education requirements for insurance adjusters under Texas law if they already have completed continuing education with the same content as part of a certification.

DIGEST: CSHB 3703 would direct the Texas Department of Insurance to waive any continuing education requirement under relevant Texas law for an insurance adjuster who, during the license period for which the continuing education was required, received a certificate for completing a continuing education program issued by a professional organization of adjusters, if:

- the number of hours required to complete the continuing education program was at least the number of hours of continuing education the adjuster is required to complete during the license period under Texas law; and
- the content of the continuing education program included the content required under Texas law for insurance adjuster continuing education programs.

The commissioner of insurance would be required to adopt the necessary rules to implement the bill by December 1, 2017. The bill would apply to continuing education requirements for an insurance adjuster's license period beginning on or after January 1, 2018.

The bill would take effect September 1, 2017.