

SUBJECT: Satisfying continuing education requirements with claims certifications

COMMITTEE: Insurance — favorable, without amendment

VOTE: 7 ayes — Lucio, Oliverson, Julie Johnson, Lambert, Paul, C. Turner, Vo

0 nays

2 absent — G. Bonnen, S. Davis

SENATE VOTE: On final passage, April 26 — 30-0, on Local and Uncontested Calendar

WITNESSES: *On House companion bill, HB 3334:*

For — Anne Blume, Claims and Litigation Management Alliance; Joel Moore, National Association of Independent Insurance Adjusters; *(Registered, but did not testify:* Wade Long, Texas Surety Federation; John Marlow, Chubb; Paul Martin, National Association of Mutual Insurance Companies; Steve Nelson, Market Insurance Company, SureTec Insurance Company; Jay Thompson, Afact; Joe Woods, American Property Casualty Insurance Association)

Against — None

On — Nancy Clark, Texas Department of Insurance

BACKGROUND: Insurance Code sec. 4101.059 requires licensed insurance adjusters to participate in continuing education programs to renew their licenses.

Sec. 4004.105 requires continuing education programs to include information related to unfair methods of competition and unfair or deceptive acts or practices, false advertising by unauthorized insurers, unfair claim settlement practices, deceptive trade practices, and other information.

Insurance adjusters can be licensed in multiple states, each with different continuing education requirements. Some have said that the process of

renewing licenses across states could be made more efficient by allowing claims certifications issued by national or state associations to satisfy individual states' continuing education requirements.

DIGEST:

SB 1584 would require the Texas Department of Insurance (TDI) to accept a claims certification that a licensed insurance adjuster received during a license period as satisfaction of any continuing education requirement if:

- the claims certification was issued by a national or state claims association with a certification program;
- the number of hours required to complete the certification program equaled at least the number of hours of continuing education that an adjuster was required to complete during the license period;
- the content of the certification program included content required for insurance adjusters and was available through an electronic portal maintained by the association for review and audit by TDI;
- the association was approved by TDI as a continuing education provider;
- the association reported the adjuster's completion of the certification program to TDI through an electronic portal maintained by TDI; and
- the association provided TDI with access to the adjuster's transcript showing the adjuster's completion of the certification program through an electronic portal maintained by the association.

The bill would apply to continuing education requirements for an insurance adjuster's license period beginning on or after January 1, 2020.

The bill would take effect September 1, 2019.