



April 6, 1999

**ENGROSSED
SENATE BILL No. 458**

DIGEST OF SB 458 (Updated March 30, 1999 4:23 pm - DI 97)

Citations Affected: IC 2-3; IC 27-1.

Synopsis: Issuance of insurance with auto rentals. Exempts from insurance agent continuing education requirements officers, employees, or representatives of a travel agency who negotiate or solicit insurance only incidental to the purchase of an air transportation ticket. Requires a political subdivision or a state educational institution that employs a legislator to provide the same insurance and other benefits at all times. Exempts employees of motor vehicle rental companies who negotiate or solicit insurance incidental to a rental agreement from insurance agent's licensure requirements.

Effective: July 1, 1999; January 1, 2000.

Clark

(HOUSE SPONSORS — MAHERN, SMITH M)

January 13, 1999, read first time and referred to Committee on Insurance and Financial Institutions.

February 11, 1999, reported favorably — Do Pass.

February 15, 1999, read second time, ordered engrossed. Engrossed.

February 18, 1999, read third time, passed. Yeas 48, nays 0.

HOUSE ACTION

March 3, 1999, read first time and referred to Committee on Insurance, Corporations and Small Business.

April 5, 1999, amended, reported — Do Pass.

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ES 458—LS 7717/DI 100+



April 6, 1999

First Regular Session 111th General Assembly (1999)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1998 General Assembly.

ENGROSSED SENATE BILL No. 458

A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 2-3-3-2.5 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE
3 JANUARY 1, 2000]: **Sec. 2.5. (a) For purposes of this section,**
4 **"employer" refers to an employer that is any of the following:**
5 (1) **A political subdivision (as defined in IC 36-1-2-13).**
6 (2) **A state educational institution.**
7 (b) **An employer of an individual who is a member of the**
8 **general assembly shall provide to the individual:**
9 (1) **at all times during which the individual is serving as a**
10 **member of the general assembly; and**
11 (2) **at the same cost to the individual;**
12 **the same insurance and other benefits as are provided to the**
13 **individual by the employer when the individual is not serving as a**
14 **member of the general assembly.**
15 SECTION 2. IC 27-1-15.5-7.1 IS AMENDED TO READ AS
16 FOLLOWS [EFFECTIVE JULY 1, 1999]: **Sec. 7.1. (a) This section**

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1 does not apply to:

2 (1) a nonresident licensee that:

3 ~~(1)~~ (A) is licensed as a resident insurance agent by another
4 state that has a continuing education requirement as a
5 condition for license renewals; and

6 ~~(2)~~ (B) meets all the requirements for licensure in the resident
7 state of the nonresident licensee; **or**

8 **(2) an officer, an employee, or a representative of a travel**
9 **agency who negotiates or solicits insurance only incidental to**
10 **and in connection with the purchase of an air transportation**
11 **ticket.**

12 (b) To renew a license issued under this chapter:

13 (1) an insurance agent (as defined in section 2(b) of this chapter)
14 must complete at least thirty (30) hours of credit in continuing
15 education courses; and

16 (2) a limited insurance representative (as defined in section 2(e)
17 of this chapter) must complete at least ten (10) hours of credit in
18 continuing education.

19 (c) To satisfy the requirements of subsection (b), a licensee may use
20 only those credit hours earned in continuing education courses
21 completed by the licensee:

22 (1) after the date on which the licensee last renewed a license
23 under this chapter; or

24 (2) if the licensee is renewing a license for the first time, after the
25 date on which the licensee was issued the license under this
26 chapter.

27 (d) If an insurance agent (as defined in section 2(b) of this chapter)
28 holds more than one (1) license under this chapter, the licensee may not
29 be required to complete a total of more than thirty (30) hours of credit
30 in continuing education courses to renew all of the licenses.

31 (e) A licensee may receive credit only for completing continuing
32 education courses that have been approved by the commissioner under
33 section 7.3 of this chapter.

34 (f) A licensee who teaches a course approved by the commissioner
35 under section 7.3 of this chapter may receive continuing education
36 credit for teaching the course.

37 (g) When a licensee renews a license issued under this chapter, the
38 licensee must submit:

39 (1) a continuing education statement that:

40 (A) is on a form provided by the commissioner;

41 (B) is signed by the licensee under oath; and

42 (C) lists the continuing education courses completed by the

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1 licensee to satisfy the continuing education requirements
 2 under this section; and
 3 (2) any other information required by the commissioner.
 4 (h) A continuing education statement submitted under subsection
 5 (g) may be reviewed and audited by the department of insurance.
 6 (i) A licensee shall retain a copy of the original certificate of
 7 completion received by the licensee for completion of a continuing
 8 education course.
 9 (j) The commissioner may adopt rules under IC 4-22-2 to implement
 10 this section.
 11 SECTION 3. IC 27-1-15.5-17 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 17. Exemptions. This
 13 chapter does not apply to:
 14 **(1) representatives of county farmers mutual insurance**
 15 **companies; or**
 16 **(2) officers, employees, or representatives of a rental company**
 17 **(as defined in IC 24-4-9-7) who negotiate or solicit insurance**
 18 **incidental to and in connection with the rental of a motor**
 19 **vehicle.**

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COMMITTEE REPORT

Mr. President: The Senate Committee on Insurance and Financial Institutions, to which was referred Senate Bill No. 458, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is made to Senate Bill 458 as introduced.)

PAUL, Chairperson

Committee Vote: Yeas 9, Nays 0.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Insurance, Corporations and Small Business, to which was referred Senate Bill 458, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 2-3-3-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: **Sec. 2.5. (a) For purposes of this section, "employer" refers to an employer that is any of the following:**

(1) A political subdivision (as defined in IC 36-1-2-13).

(2) A state educational institution.

(b) An employer of an individual who is a member of the general assembly shall provide to the individual:

(1) at all times during which the individual is serving as a member of the general assembly; and

(2) at the same cost to the individual;

the same insurance and other benefits as are provided to the individual by the employer when the individual is not serving as a member of the general assembly.

SECTION 2. IC 27-1-15.5-7.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: **Sec. 7.1. (a) This section does not apply to:**

(1) a nonresident licensee that:

(1) (A) is licensed as a resident insurance agent by another state that has a continuing education requirement as a condition for license renewals; and

(2) (B) meets all the requirements for licensure in the resident state of the nonresident licensee; or

(2) an officer, an employee, or a representative of a travel agency who negotiates or solicits insurance only incidental to and in connection with the purchase of an air transportation ticket.

(b) To renew a license issued under this chapter:

(1) an insurance agent (as defined in section 2(b) of this chapter) must complete at least thirty (30) hours of credit in continuing education courses; and

(2) a limited insurance representative (as defined in section 2(e) of this chapter) must complete at least ten (10) hours of credit in continuing education.

(c) To satisfy the requirements of subsection (b), a licensee may use

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only those credit hours earned in continuing education courses completed by the licensee:

- (1) after the date on which the licensee last renewed a license under this chapter; or
 - (2) if the licensee is renewing a license for the first time, after the date on which the licensee was issued the license under this chapter.
- (d) If an insurance agent (as defined in section 2(b) of this chapter) holds more than one (1) license under this chapter, the licensee may not be required to complete a total of more than thirty (30) hours of credit in continuing education courses to renew all of the licenses.
- (e) A licensee may receive credit only for completing continuing education courses that have been approved by the commissioner under section 7.3 of this chapter.
- (f) A licensee who teaches a course approved by the commissioner under section 7.3 of this chapter may receive continuing education credit for teaching the course.
- (g) When a licensee renews a license issued under this chapter, the licensee must submit:
- (1) a continuing education statement that:
 - (A) is on a form provided by the commissioner;
 - (B) is signed by the licensee under oath; and
 - (C) lists the continuing education courses completed by the licensee to satisfy the continuing education requirements under this section; and
 - (2) any other information required by the commissioner.
- (h) A continuing education statement submitted under subsection (g) may be reviewed and audited by the department of insurance.
- (i) A licensee shall retain a copy of the original certificate of completion received by the licensee for completion of a continuing education course.
- (j) The commissioner may adopt rules under IC 4-22-2 to implement this section."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 458 as printed February 12, 1999.)

FRY, Chair

Committee Vote: yeas 11, nays 1.

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