

ONE HUNDRED FIFTH LEGISLATURE - FIRST SESSION - 2017
COMMITTEE STATEMENT
LB486

Hearing Date: Tuesday January 31, 2017
Committee On: Banking, Commerce and Insurance
Introducer: Kolterman
One Liner: Change continuing education requirements for insurance licensees

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:
Aye: 8 Senators Baker, Brewer, Craighead, Kolterman, Lindstrom, McCollister, Schumacher, Williams
Nay:
Absent:
Present Not Voting:

Verbal Testimony:

Proponents: Senator Mark Kolterman Daniel J Scholz JJ Green Mick Mines Perre Neilan	Representing: Introducer NAIFA NE Assn. of Health Underwriters NAIFA Independent Insurance Agents of NE
Opponents:	Representing:
Neutral:	Representing:

Summary of purpose and/or changes:

This bill would amend sections 44-3902, 44-3904, and 44-3905 of the statutes governing continuing education for producer and consultant insurance licensees to provide that "active participation" by a member in activities of a "professional insurance association" may be approved by the Director of Insurance for up to six hours of continuing education credit to be applied to the member licensee's twenty-one-hour continuing education requirement for life, accident and health or sickness, property, casualty, and personal lines property and casualty insurance for each two-year license period.

The bill would define "active participation" as (a) attendance at a formal meeting of a professional insurance association where a business program is presented, (b) service on and involvement in the activities of the board of directors or a formal committee of a professional insurance association, (c) participation in industry, regulatory, or legislative meetings held by or on behalf of a professional insurance association, and (d) participation in other formal insurance business activities of a professional insurance association approved by the Director of Insurance.

The bill would define "professional insurance association" as a membership organization that offers courses, lectures, seminars, or other instructional programs approved by the Director of Insurance as continuing education activities, is organized for the express purpose of promoting the interests of insurance licensees, and is based on paid membership renewable annually or biennially.

Explanation of amendments:

The committee amendments would amend the bill's definition of "active participation" to make clarifying changes, particularly by removing redundant provisions.

As introduced, the definition of "active participation" would set out four categories of activities that could be approved for continuing education credit. The first category would be attendance at a formal meeting of a professional insurance association where a formal business program is presented and attendance is verified by the association. The committee amendments would amend these provisions to require attendance at formal "meetings" instead of a single formal "meeting." The committee amendments would further amend these provisions to eliminate the requirement that attendance be verified by the association because that requirement is covered in the bill by proposed subdivision (3)(b) in section 44-3904 (section 2). As introduced, the fourth category of activities would be participation in other formal insurance business activities of a professional insurance association approved by the Director of Insurance. The committee amendments would eliminate this fourth category in its entirety because it is overly broad and adds nothing to what is already in the other three categories.

Brett Lindstrom, Chairperson