

**SUBSTITUTE FOR
SENATE BILL NO. 1476**

A bill to amend 1956 PA 218, entitled
"The insurance code of 1956,"
by amending section 1204a (MCL 500.1204a), as amended by 2006 PA
442.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1204a. (1) To qualify as a registered insurance agent
2 program of study, the program of study shall meet all of the
3 following criteria:

4 (a) Be conducted through an educational institution offering
5 home study courses that has been in existence for not less than 5
6 years, by an insurance trade association, by an authorized insurer
7 as provided in subsection (2), or by an educational institution
8 listed in the state board of education directory of institutions of

1 higher learning.

2 (b) Except as provided in subsection (2), provide for a
3 minimum number of hours of classroom instruction or its equivalent
4 in home study or online courses as follows:

5 (i) ~~In the case of~~ **FOR** a program of study for health insurance
6 agents, ~~14~~ **PRODUCERS, 20** hours of instruction. ~~on the principles of~~
7 ~~health insurance and 6 hours of instruction on the requirements of~~
8 ~~the insurance laws of this state.~~

9 (ii) ~~In the case of~~ **FOR** a program of study for life insurance
10 agents ~~PRODUCERS, 20~~ hours of instruction. ~~on the principles of~~
11 ~~life insurance and 6 hours of instruction on the requirements of~~
12 ~~the insurance laws of this state.~~

13 (iii) ~~In the case of~~ **FOR** a combined program of study for life
14 and health insurance agents, ~~14~~ **PRODUCERS, 40** hours of instruction.
15 ~~on the principles of health insurance, 20 hours of instruction on~~
16 ~~the principles of life insurance, and 6 hours of instruction on the~~
17 ~~requirements of the insurance laws of this state.~~

18 (iv) ~~In the case of~~ **FOR** a program of study for property and
19 easualty insurance agents ~~PRODUCERS~~ and solicitors, ~~12~~ **20** hours of
20 instruction. ~~on the principles of property insurance, 6 hours of~~
21 ~~instruction on the requirements of the insurance laws of this~~
22 ~~state, and 22 hours of instruction on the principles of liability~~
23 ~~insurance.~~

24 (v) **FOR A PROGRAM OF STUDY FOR CASUALTY INSURANCE PRODUCERS**
25 **AND SOLICITORS, 20 HOURS OF INSTRUCTION.**

26 (vi) **FOR A PROGRAM OF STUDY FOR PERSONAL LINES PRODUCERS, 20**
27 **HOURS OF INSTRUCTION.**

1 (vii) FOR A PROGRAM OF STUDY FOR PROPERTY AND CASUALTY
2 PRODUCERS AND SOLICITORS, 40 HOURS OF INSTRUCTION. A PROGRAM OF
3 STUDY COMPLETED UNDER THIS SUBPARAGRAPH SATISFIES THE PROGRAM OF
4 STUDY REQUIREMENTS FOR PERSONAL LINES PRODUCERS AND SOLICITORS.

5 (c) Include instruction in ethical practices in the marketing
6 and selling of insurance.

7 (d) Instruction shall be given only by individuals who meet
8 the qualifications required by the commissioner. The commissioner,
9 after consulting the insurance agent education advisory council,
10 shall promulgate rules prescribing the criteria ~~which~~**THAT** must be
11 met by a person in order to render instruction in a registered
12 insurance agent program of study.

13 (2) An authorized insurer may conduct that portion of the
14 minimum number of hours of instruction under subsection (1) as the
15 commissioner ~~deems~~**CONSIDERS** appropriate. Any combination of
16 classroom, online, or self-study hours may be used in satisfying
17 the minimum number of hours of instruction under subsection (1).

18 (3) The commissioner shall promulgate rules prescribing the
19 subject matter that a program of study must possess to qualify for
20 registration under this section.

21 (4) The commissioner may make recommendations for improvements
22 in course materials as ~~deemed~~**CONSIDERED** necessary by the
23 commissioner. The commissioner may, after notice and opportunity
24 for a hearing, withdraw the registration of a program of study
25 ~~which~~**THAT** does not maintain reasonable standards as determined by
26 the commissioner for the protection of the public.

27 Enacting section 1. This amendatory act takes effect 6 months

1 after the date it is enacted into law.