

**SENATE SUBSTITUTE FOR
HOUSE BILL NO. 4325**

A bill to amend 1956 PA 218, entitled
"The insurance code of 1956,"
by amending sections 835a, 1204a, and 1204c (MCL 500.835a,
500.1204a, and 500.1204c), section 835a as added by 2016 PA 558,
section 1204a as amended by 2008 PA 575, and section 1204c as
amended by 2008 PA 574; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 835a. (1) Except as otherwise provided in section 836,
2 the minimum standard for the valuation of all individual annuity
3 and pure endowment contracts issued after December 31, 2014 and for
4 all annuities and pure endowments purchased after December 31, 2014
5 under group annuity and pure endowment contracts must be the
6 Commissioner's Reserve Valuation Method described in section 834(2)

1 and (3), and the following tables and interest rates:

2 (a) For individual single premium immediate annuity contracts,
3 excluding any disability and accidental death benefits in these
4 contracts, the standard must be the 2012 IAR Table or any
5 individual annuity mortality table adopted after 2015 by the
6 National Association of Insurance Commissioners that is approved by
7 a rule promulgated by the director for use in determining the
8 minimum standard of valuation for such contracts, or a modification
9 of these tables approved by the director, and an interest rate as
10 determined by the methodology described in section 836.

11 (b) ~~For~~ **EXCEPT AS OTHERWISE PROVIDED IN SUBDIVISION (D), FOR**
12 individual annuity and pure endowment contracts, other than single
13 premium immediate annuity contracts, excluding any disability and
14 accidental death benefits in the contracts, the standard must be
15 the 2012 Individual Annuity Mortality Table or any individual
16 annuity mortality table adopted after 2017 by the National
17 Association of Insurance Commissioners that is approved by a rule
18 promulgated by the director for use in determining the minimum
19 standard of valuation for such contracts, or a modification of
20 these tables approved by the director, and an interest rate as
21 determined by the methodology described in section 836 for single
22 premium deferred annuity and pure endowment contracts, and an
23 interest rate as determined by the methodology described in section
24 836 for all other such individual annuity and pure endowment
25 contracts.

26 (c) For all annuities and pure endowments purchased under
27 group annuity and pure endowment contracts, excluding any

1 disability and accidental death benefits purchased under these
2 contracts, the standard must be the 1994 GAR Table, or any group
3 annuity mortality table adopted after 2017 by the National
4 Association of Insurance Commissioners that is approved by a rule
5 promulgated by the director for use in determining the minimum
6 standard of valuation for such annuities and pure endowments, or a
7 modification of these tables approved by the director, and an
8 interest rate as determined by the methodology described in section
9 836.

10 **(D) FOR INDIVIDUAL ANNUITY AND PURE ENDOWMENT CONTRACTS, THE**
11 **STANDARD MUST BE THE 1983 TABLE A WITHOUT PROJECTION ONLY IF THE**
12 **CONTRACT IS BASED ON LIFE CONTINGENCIES AND IS ISSUED TO FUND**
13 **PERIODIC BENEFITS ARISING FROM EITHER OF THE FOLLOWING:**

14 **(i) SETTLEMENTS OF VARIOUS FORMS OF CLAIMS PERTAINING TO COURT**
15 **SETTLEMENTS, OUT OF COURT SETTLEMENTS FROM TORT ACTIONS, OR**
16 **SETTLEMENTS INVOLVING SIMILAR ACTIONS SUCH AS WORKER'S COMPENSATION**
17 **CLAIMS.**

18 **(ii) SETTLEMENT OF LONG-TERM DISABILITY CLAIMS IF A TEMPORARY**
19 **OR LIFE ANNUITY HAS BEEN USED INSTEAD OF CONTINUING DISABILITY**
20 **PAYMENTS.**

21 (2) As used in this section:

22 (a) "Annuity 2000 Table" means the mortality table developed
23 by the Society of Actuaries Committee on Life Insurance Research
24 and shown on page 240 of volume XLVII of the Transactions of the
25 Society of Actuaries.

26 (b) "Generational Mortality Table" means a mortality table
27 containing a set of mortality rates that decrease for a given age

from 1 year to the next based on a combination of a period table and a projection scale containing rates of mortality improvement.

(c) "Period table" means a table of mortality rates applicable to a given calendar year.

(d) "Projection Scale G2" means the table of annual rates, G_{2x} , of mortality improvement by age for projecting future mortality rates beyond calendar year 2012 developed by the Society of Actuaries Committee on Life Insurance Research.

(e) "1983 GAM Table" means that mortality table developed by the Society of Actuaries committee on annuities and adopted as a recognized mortality table for annuities in December 1983 by the National Association of Insurance Commissioners.

(f) "1983 Table a" means the mortality table developed by the Society of Actuaries committee to recommend a new mortality basis for individual annuity valuation and adopted as a recognized mortality table for annuities in June 1982 by the National Association of Insurance Commissioners.

(g) "1994 GAR Table" means the mortality table developed by the Society of Actuaries group annuity valuation table task force and published on pages 866-867 of volume XLVII of the Transactions of the Society of Actuaries, where the mortality rate for an individual of age x in year $1994+n$, Q_x^{1994+N} , is determined as follows:

$$Q_x^{1994+N} = Q_x^{1994}(1-AA_x)^N$$

where Q_x^{1994} is as specified in the 1994 GAR Table, n is the number of years that have elapsed since 1994, and AA_x is as

specified in the 1994 GAR Table.

(h) "2012 IAM Period Table" means the period table developed by the Society of Actuaries Committee on Life Insurance Research that contains loaded mortality rates for calendar year 2012.

(i) "2012 IAR Table" means the generational mortality table developed by the Society of Actuaries Committee on Life Insurance Research that contains rates derived from a combination of the 2012 IAM Period Table and Projection Scale G2, where mortality rates for an individual of age x in year $2012+n$, Q_x^{2012+N} , are determined as follows, and the results rounded to the nearest one-thousandth:

$$QX_{2012+N} = QX_{2012}(1-G2X)^N$$

where Q_x^{2012} is as specified in the 2012 IAM Period Table, n is the number of years that have elapsed since 2012, and $G2_x$ is as specified in Projection Scale G2.

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

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

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

(i) For a program of study for health insurance producers, 20 hours of instruction.

(ii) For a program of study for life insurance producers, 20 hours of instruction.

(iii) For a combined program of study for life and health insurance producers, 40 hours of instruction.

(iv) For a program of study for property insurance producers and solicitors, 20 hours of instruction.

(v) For a program of study for casualty insurance producers and solicitors, 20 hours of instruction.

(vi) For a program of study for personal lines producers, 20 hours of instruction.

(vii) For a program of study for property and casualty producers and solicitors, 40 hours of instruction. A program of study completed under this subparagraph satisfies the program of study requirements for personal lines producers and solicitors.

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

(d) ~~Instruction shall~~ **SUBJECT TO SUBSECTION (5), INSTRUCTION** **MUST** be given only by individuals who meet the qualifications required by the ~~commissioner.~~ **DIRECTOR**. The ~~commissioner,~~ after ~~consulting the insurance agent education advisory council,~~ **DIRECTOR** shall promulgate rules prescribing the criteria that must be met by a person ~~in order to~~ render instruction in a registered insurance ~~agent~~ **PRODUCER** program of study.

(2) An authorized insurer may conduct that portion of the minimum number of hours of instruction under subsection (1) as the

~~commissioner~~**DIRECTOR** considers appropriate. Any combination of classroom, online, or self-study hours may be used in satisfying the minimum number of hours of instruction under subsection (1).

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

(4) The ~~commissioner~~**DIRECTOR** may ~~make recommendations for~~ **RECOMMEND** improvements in course materials as considered necessary by the ~~commissioner~~**DIRECTOR**. The ~~commissioner~~**DIRECTOR** may, after notice and opportunity for a hearing, withdraw the registration of a program of study that does not maintain reasonable standards as determined by the ~~commissioner~~**DIRECTOR** for the protection of the public.

(5) **FOR A REGISTERED INSURANCE PRODUCER PROGRAM OF STUDY UNDER THIS SECTION, THE DIRECTOR MAY REFUSE TO APPROVE AN INSURANCE EDUCATION INSTRUCTOR, AND THE DIRECTOR MAY PLACE AN APPROVED INSURANCE EDUCATION INSTRUCTOR ON PROBATION OR SUSPEND OR REVOKE APPROVAL OF AN APPROVED INSURANCE EDUCATION INSTRUCTOR, OR TAKE ANY COMBINATION OF THESE ACTIONS, IF 1 OR MORE OF THE FOLLOWING APPLY:**

(A) **THE INSURANCE EDUCATION INSTRUCTOR VIOLATES AN INSURANCE LAW OR VIOLATES A RULE, SUBPOENA, OR ORDER OF THE DIRECTOR OR OF ANOTHER STATE'S INSURANCE COMMISSIONER.**

(B) **THE INSURANCE EDUCATION INSTRUCTOR USES FRAUDULENT, COERCIVE, OR DISHONEST PRACTICES OR DEMONSTRATES INCOMPETENCE, UNTRUSTWORTHINESS, OR FINANCIAL IRRESPONSIBILITY IN THE CONDUCT OF BUSINESS IN THIS STATE OR OUTSIDE THIS STATE.**

(C) **THE INSURANCE EDUCATION INSTRUCTOR'S INSURANCE PRODUCER**

**LICENSE OR ITS EQUIVALENT IS REVOKED IN CONJUNCTION WITH A
DISCIPLINARY ACTION IN ANY STATE, PROVINCE, DISTRICT, OR TERRITORY.**

Sec. 1204c. ~~(1) As used in this section:~~

~~(a) "Hour" means a period of time of not less than 50 minutes.~~

~~(b) "Insurance producer" means a life-health agent or
property-casualty agent.~~

~~(c) "Life-health agent" means a resident or nonresident
individual insurance producer licensed for life, limited life,
mortgage redemption, accident and health, or any combination
thereof.~~

~~(d) "Property-casualty agent" means a resident or nonresident
individual insurance producer or solicitor licensed for automobile,
fire, multiple lines, any limited or minor property and casualty
line, or any combination thereof.~~

(1) ~~(2)~~—An insurance producer's hours of study accrued under
this section ~~shall~~ **MUST** be reviewed for license continuance every 2
years under a schedule established by the ~~commissioner~~. **DIRECTOR**.
The ~~commissioner~~ **DIRECTOR** may establish a schedule for license
continuation that staggers license continuation dates to apportion
the continuation dates throughout the calendar year. If the system
of staggered continuation is adopted, the ~~commissioner~~ **DIRECTOR** may
extend the licensure period for some licensees.

(2) ~~(3)~~—Except as provided in subsections ~~(10)~~ **(9)** to ~~(13)~~,
(12), **AND SUBJECT TO SUBSECTION (13)**, before the review date of
each applicable 2-year period provided for under subsection ~~(2)~~,
(1), an insurance producer wishing to renew his or her license
shall renew his or her license by attending or instructing not less

1 than 24 hours of continuing education classes approved by the
 2 ~~commissioner~~**DIRECTOR** or 24 hours of home study or online training
 3 if evidenced by successful completion of ~~course work~~**COURSEWORK**
 4 approved by the ~~commissioner~~**DIRECTOR**. Of the 24 hours of
 5 continuing education required, not less than 3 hours ~~shall~~**MUST** be
 6 in ethics in insurance classes or ~~course work~~**COURSEWORK**.

7 **(3)** ~~(4) After reviewing recommendations made by the council~~
 8 ~~under section 1204b, the commissioner~~**THE DIRECTOR** shall approve a
 9 **REGISTERED INSURANCE PRODUCER** program of study if the ~~commissioner~~
 10 **DIRECTOR** determines that the program increases knowledge of
 11 insurance and related subjects as follows:

12 (a) For a life-health agent program of study, the program
 13 offers instruction in 1 or more of the following:

14 (i) The fundamental considerations and major principles of
 15 life insurance.

16 (ii) The fundamental considerations and major principles of
 17 health insurance.

18 (iii) Estate planning and taxation as related to insurance.

19 (iv) Industry and legal standards concerning ethics in
 20 insurance.

21 (v) Legal, legislative, and regulatory matters concerning
 22 insurance, the insurance code, and the insurance industry.

23 (vi) Principal provisions used in life insurance contracts,
 24 health insurance contracts, or annuity contracts and differences in
 25 types of coverages.

26 (vii) Accounting and actuarial considerations in insurance.

27 (viii) Principles of agency management, excluding

1 telemarketing or other marketing instruction.

2 (ix) The fundamental considerations, major principles, and
3 statutory requirements of long-term care insurance.

4 (b) For a property-casualty agent program of study, the
5 program offers instructions in 1 or more of the following:

6 (i) The fundamental considerations and major principles of
7 property insurance.

8 (ii) The fundamental considerations and major principles of
9 casualty insurance.

10 (iii) Basic principles of risk management.

11 (iv) Industry and legal standards concerning ethics in
12 insurance.

13 (v) Legal, legislative, and regulatory matters concerning
14 insurance, the insurance code, and the insurance industry.

15 (vi) Principal provisions used in casualty insurance
16 contracts, no-fault insurance contracts, or property insurance
17 contracts and differences in types of coverages.

18 (vii) Accounting and actuarial considerations in insurance.

19 (viii) Principles of agency management, excluding
20 telemarketing or other marketing instruction.

21 **(4)** ~~(5)~~—A provider of a program of study for insurance
22 producers applying for approval or reapproval from the ~~commissioner~~
23 **DIRECTOR** under this section shall file, on a form provided by the
24 ~~commissioner~~, **DIRECTOR**, a description of the course of study
25 including a description of the subject matter and course materials,
26 hours of instruction, location of classroom, qualifications of
27 instructors, and maximum student-instructor ratio and shall pay a

1 nonrefundable \$25.00 filing fee. Any material change in a program
 2 of study ~~shall require~~ **REQUIRES THE** reapproval ~~by OF~~ the
 3 ~~commissioner.~~ **DIRECTOR.** If the information in an application for
 4 approval or reapproval is insufficient for the ~~commissioner~~
 5 **DIRECTOR** to determine whether the program of study meets the
 6 requirements under subsection ~~(4),~~ **(3)**, the ~~commissioner~~ **DIRECTOR**
 7 shall give written notice to the provider, within 15 days after the
 8 provider's filing of the application for approval or reapproval, of
 9 the additional information needed by the ~~commissioner.~~ **DIRECTOR.** An
 10 application for approval or reapproval ~~shall be~~ **IS** considered
 11 approved unless disapproved by the ~~commissioner~~ **DIRECTOR** within 90
 12 days after the application for approval or reapproval is filed, or
 13 within 90 days after the receipt of additional information if the
 14 information was requested by the ~~commissioner,~~ **DIRECTOR,** whichever
 15 is later.

16 (5) ~~(6)~~ A provider of a program of study approved by the
 17 ~~commissioner~~ **DIRECTOR** under this section shall pay a provider
 18 authorization fee of \$500.00 for the first year the provider's
 19 program of study ~~was~~ **IS** approved under this section and a \$100.00
 20 provider renewal fee for each **SUBSEQUENT** year ~~thereafter~~ that the
 21 provider offers the approved program of study.

22 (6) ~~(7)~~ A person dissatisfied with an approved program of
 23 study may petition the ~~commissioner~~ **DIRECTOR** for a hearing on the
 24 program or the ~~commissioner~~ **DIRECTOR** on his or her own initiative
 25 may request a hearing on a program of study. If the ~~commissioner~~
 26 **DIRECTOR** finds **THAT** the petition ~~to have been~~ **WAS** submitted in good
 27 faith, that the petition if true shows **THAT** the program of study

1 does not satisfy the criteria in subsection ~~(4)~~, ~~(3)~~, or that the
 2 petition otherwise justifies holding a hearing, the ~~commissioner~~
 3 **DIRECTOR** shall hold a hearing ~~pursuant to~~ **UNDER** chapter 4 of the
 4 administrative procedures act of 1969, 1969 PA 306, MCL 24.271 to
 5 24.287, within 30 days after receipt of the petition and ~~upon~~ **ON**
 6 not less than 10 days' written notice to the petitioner and the
 7 provider of the program of study. If the ~~commissioner~~ **DIRECTOR**
 8 requests a hearing on a program of study on his or her own
 9 initiative, the ~~commissioner~~ **DIRECTOR** shall hold a hearing ~~pursuant~~
 10 ~~to~~ **UNDER** chapter 4 of the administrative procedures act of 1969,
 11 1969 PA 306, MCL 24.271 to 24.287, ~~upon~~ **ON** not less than 10 days'
 12 written notice to the provider of the program of study.

13 (7) ~~(8)~~ If after a hearing under subsection ~~(7)~~ ~~(6)~~ the
 14 ~~commissioner~~ **DIRECTOR** finds that the program of study does not
 15 satisfy the requirements under subsection ~~(4)~~, ~~(3)~~, the
 16 ~~commissioner~~ **DIRECTOR** shall state, in a written order mailed first-
 17 class to the petitioner and provider of the program of study, his
 18 or her findings and the date ~~upon~~ **ON** which the ~~commissioner~~
 19 **DIRECTOR** will revoke approval of the program of study, which date
 20 ~~shall~~ **MUST** be within a reasonable time of the issuance of the
 21 order.

22 (8) ~~(9)~~ A certificate of attendance or instruction ~~of~~ **IN** an
 23 approved program of study or a certificate of successful completion
 24 of ~~course work shall~~ **COURSEWORK MUST** be filed as directed by the
 25 ~~commissioner~~ **DIRECTOR** on a form prescribed by the ~~commissioner~~
 26 **DIRECTOR** and ~~shall~~ **MUST** indicate the name and number of the course
 27 of study, the number of hours, dates of completion, and the name

1 and number of schools attended or taught by the insurance producer
2 or the evidence of successful completion of ~~course work~~.

3 **COURSEWORK.** A representative of the approved program of study shall
4 file the form and a fee of \$1.00 per hour for course credit for
5 each insurance producer license renewal as directed by the
6 ~~commissioner~~**DIRECTOR** within 30 days after the insurance producer
7 completes the program. A copy of the form ~~shall~~**MUST** also be mailed
8 first-class to the insurance producer who attended, taught, or
9 successfully completed the program of study. The ~~commissioner~~
10 **DIRECTOR** may enter into contracts to provide for the administrative
11 functions of this subsection.

12 (9) ~~(10)~~The ~~commissioner~~**DIRECTOR** shall waive the continuing
13 education requirements of this section for an insurance producer if
14 the producer is unable to comply with the continuing education
15 requirements of this section ~~due to~~**BECAUSE OF** military service or
16 if the ~~commissioner~~**DIRECTOR** determines that enforcement of the
17 requirements would cause a severe hardship. The ~~commissioner~~
18 **DIRECTOR** shall waive the continuing education requirements of this
19 section for the following insurance producers:

20 (a) An insurance producer who is licensed to write only travel
21 or baggage insurance policies and whose employment is for a purpose
22 other than the sale of those policies.

23 (b) An insurance producer who is licensed to write only
24 limited line credit insurance.

25 (10) ~~(11)~~The ~~commissioner~~**DIRECTOR** may enter into reciprocal
26 continuing education agreements with insurance commissioners from
27 other states.

1 **(11)** ~~(12)~~ If an insurance producer has not met his or her
2 continuing education requirements by the expiration date of his or
3 her license, the insurance producer ~~shall have~~ **HAS** a 90-day grace
4 period in which to meet the continuing education requirements of
5 this section. During the 90-day grace period, the insurance
6 producer shall not solicit or sell new policies of insurance, bind
7 coverage, or otherwise act as an insurance producer, except that
8 the insurance producer may continue to service policies previously
9 sold and may receive commissions on policies previously sold. If
10 the insurance producer has not met his or her continuing education
11 requirements by the expiration of the 90-day grace period, the
12 **DIRECTOR SHALL CANCEL THE** insurance producer's license. ~~shall be~~
13 ~~canceled.~~ An insurance producer whose license has been canceled
14 under this section may reapply for **A** license to act as an insurance
15 producer under section 1204., ~~except that the program of study~~
16 ~~requirements under section 1204 shall not be waived.~~

17 **(12)** ~~(13)~~ An insurance producer who has sold his or her
18 insurance business and who has not met the continuing education
19 requirements of this section shall not solicit or sell new policies
20 of insurance, bind coverage, or otherwise act as an insurance
21 producer, except that the insurance producer may continue to
22 service policies previously sold and may receive commissions on
23 policies previously sold as well as receive partial commissions on
24 policies of insurance sold by a purchasing insurance producer. An
25 insurance producer who is in the process of selling his or her
26 insurance business and who has not met the continuing education
27 requirements of this section shall not solicit or sell new policies

1 of insurance, bind coverage, or otherwise act as an insurance
 2 producer, except that the insurance producer may continue to
 3 service policies previously sold and may receive commissions on
 4 policies previously sold as well as receive partial commissions on
 5 policies of insurance sold by a purchasing insurance producer, for
 6 a period not to exceed 12 months after the selling insurance
 7 producer's license review date under subsection ~~(2)~~. **(1)**. An
 8 insurance producer whose license has been canceled and who wishes
 9 to resume soliciting or selling new policies of insurance, bind
 10 coverage, or otherwise act as an insurance producer and who has not
 11 met the continuing education requirements within the immediately
 12 preceding ~~2-year period~~ **12 MONTHS** may reapply for **A** license to act
 13 as an insurance producer under section 1204.

14 **(13) AFTER 1 YEAR AFTER THE EFFECTIVE DATE OF THE AMENDATORY**
 15 **ACT THAT ADDED SUBSECTION (14), FOR A REVIEW DATE OF AN APPLICABLE**
 16 **2-YEAR PERIOD UNDER SUBSECTION (1), ALL OF THE FOLLOWING APPLY:**

17 **(A) SUBJECT TO SUBDIVISIONS (B) AND (C), IF AN INSURANCE**
 18 **PRODUCER COMPLETES MORE THAN 24 HOURS OF CONTINUING EDUCATION IN AN**
 19 **APPLICABLE 2-YEAR PERIOD, THE INSURANCE PRODUCER MAY, FOR PURPOSES**
 20 **OF SUBSECTION (2), APPLY EACH HOUR MORE THAN 24 HOURS TO THE NEXT**
 21 **2-YEAR PERIOD. HOWEVER, NO MORE THAN 12 HOURS MAY BE APPLIED TO THE**
 22 **NEXT APPLICABLE 2-YEAR PERIOD UNDER THIS SUBDIVISION.**

23 **(B) AN INSURANCE PRODUCER MAY NOT APPLY ANY HOURS IN ETHICS IN**
 24 **INSURANCE CLASSES OR COURSEWORK TO THE NEXT APPLICABLE 2-YEAR**
 25 **PERIOD UNDER SUBDIVISION (A).**

26 **(C) IF AN INSURANCE PRODUCER COMPLETES THE SAME CONTINUING**
 27 **EDUCATION CLASS OR COURSEWORK UNDER SUBSECTION (2) IN AN APPLICABLE**

1 2-YEAR PERIOD, AN HOUR ASSOCIATED WITH A DUPLICATIVE CLASS OR
2 COURSEWORK MAY NOT BE APPLIED TO THE NEXT APPLICABLE 2-YEAR PERIOD
3 UNDER SUBDIVISION (A) .

4 (14) THE DIRECTOR OR HIS OR HER DESIGNEE MAY ACCESS ANY
5 CLASSROOM WHILE INSTRUCTION FOR A PROGRAM OF STUDY UNDER SECTION
6 1204A OR THIS SECTION IS IN PROGRESS TO MONITOR THE CLASSROOM
7 INSTRUCTION.

8 (15) FOR AN INSURANCE PRODUCER PROGRAM OF STUDY UNDER THIS
9 SECTION, THE DIRECTOR MAY REFUSE TO APPROVE AN INSURANCE EDUCATION
10 INSTRUCTOR, AND THE DIRECTOR MAY PLACE AN APPROVED INSURANCE
11 EDUCATION INSTRUCTOR ON PROBATION OR SUSPEND OR REVOKE APPROVAL OF
12 AN APPROVED INSURANCE EDUCATION INSTRUCTOR, OR TAKE ANY COMBINATION
13 OF THESE ACTIONS, IF 1 OR MORE OF THE FOLLOWING APPLY:

14 (A) THE INSURANCE EDUCATION INSTRUCTOR VIOLATES AN INSURANCE
15 LAW OR VIOLATES A RULE, SUBPOENA, OR ORDER OF THE DIRECTOR OR OF
16 ANOTHER STATE'S INSURANCE COMMISSIONER.

17 (B) THE INSURANCE EDUCATION INSTRUCTOR USES FRAUDULENT,
18 COERCIVE, OR DISHONEST PRACTICES OR DEMONSTRATES INCOMPETENCE,
19 UNTRUSTWORTHINESS, OR FINANCIAL IRRESPONSIBILITY IN THE CONDUCT OF
20 BUSINESS IN THIS STATE OR OUTSIDE THIS STATE.

21 (C) THE INSURANCE EDUCATION INSTRUCTOR'S INSURANCE PRODUCER
22 LICENSE OR ITS EQUIVALENT IS REVOKED IN CONJUNCTION WITH A
23 DISCIPLINARY ACTION IN ANY STATE, PROVINCE, DISTRICT, OR TERRITORY.

24 (16) AS USED IN THIS SECTION:

25 (A) "HOUR" MEANS A PERIOD OF TIME OF NOT LESS THAN 50 MINUTES.

26 (B) "INSURANCE PRODUCER" MEANS A LIFE-HEALTH AGENT OR
27 PROPERTY-CASUALTY AGENT.

1 (C) "LIFE-HEALTH AGENT" MEANS A RESIDENT OR NONRESIDENT
2 INDIVIDUAL INSURANCE PRODUCER LICENSED FOR LIFE, LIMITED LIFE,
3 MORTGAGE REDEMPTION, OR ACCIDENT AND HEALTH OR A COMBINATION OF
4 LIFE, LIMITED LIFE, MORTGAGE REDEMPTION, OR ACCIDENT AND HEALTH.

5 (D) "PROPERTY-CASUALTY AGENT" MEANS A RESIDENT OR NONRESIDENT
6 INDIVIDUAL INSURANCE PRODUCER OR SOLICITOR LICENSED FOR AUTOMOBILE,
7 FIRE, MULTIPLE LINES, OR ANY LIMITED OR MINOR PROPERTY AND CASUALTY
8 LINES OR A COMBINATION OF AUTOMOBILE, FIRE, MULTIPLE LINES, OR
9 LIMITED OR MINOR PROPERTY AND CASUALTY LINES.

10 Enacting section 1. Section 1204b of the insurance code of
11 1956, 1956 PA 218, MCL 500.1204b, is repealed.