

## **CONTINUING EDUCATION CREDIT FOR MEMBERSHIP IN PROFESSIONAL INSURANCE ASSOCIATION**

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**House Bill 4178 as reported from committee**  
**Sponsor: Rep. Joseph A. Aragona**  
**Committee: Insurance**  
**Complete to 4-23-25**

Analysis available at  
<http://www.legislature.mi.gov>

### **SUMMARY:**

House Bill 4178 would amend the Insurance Code to allow an insurance producer (i.e., an insurance agent) who is an active member of a professional insurance association to be credited with four hours toward continuing education requirements on the basis of that membership if certain conditions are met.

Under the code, every two years, an insurance producer who wishes to renew a license must attend or instruct at least 24 hours of continuing education classes approved by the director of the Department of Insurance and Financial Services (DIFS) or complete 24 hours of home study or online training as long as there is evidence of successful completion of coursework approved by the director. At least three hours of the continuing education requirement must be in classes or coursework in ethics in insurance. An insurance producer's hours of study accrued are reviewed for license continuance every two years under a schedule established by the director.

Under the bill, for a review date on or after December 31, 2025, of an applicable two-year period, an insurance producer (including a producer employed by an insurance agency) who is an active member of a local, regional, state, or national professional insurance association that has a course that the director of DIFS determines increases knowledge of insurance and related subjects would have to be credited four hours toward the required 24 hours of continuing education if all of the following conditions are met:

- The producer or insurance agency is a dues-paying member of the association.
- The producer or insurance agency is in good standing with the association.
- The producer actively participates in the functions of a local, regional, state, or national professional association, at a minimum, of the number of association credits earned. The association credit would have to provide for at least 50 minutes of participation. Active participation would be achieved by any of the following activities:
  - Attending a formal meeting or formal business meeting hosted by the association, where attendance is verified.
  - Serving on and actively participating in the local, regional, state, or national board or committee in affiliation with the association.
  - Participating in industry, regulatory, or legislative meetings held by or on behalf of the association.

- Upon request of the insurance producer, the association provides the DIFS director with a statement confirming that the producer actively participated in the association.

However, the four hours could not count toward the required three hours of classes or coursework in ethics in insurance.

The director could approve a professional insurance association as a continuing education provider under the bill only upon determining both of the following:

- The association was formed for purposes other than providing continuing education.
- The association has provided the director with its articles of incorporation on file with the Department of Licensing and Regulatory Affairs.

A professional insurance association approved as a continuing education provider under the bill would have to do all of the following:

- Receive approval as a continuing education provider before offering association membership credit.
- Determine participation in a meeting, program, or affiliation qualified for association credit.
- File with the director a certificate of successful completion, which would be certifying all of the following:
  - That the insurance producer maintains (or is employed by an insurance agency that maintains) an active membership, in good standing, in the association and is a dues-paying member.
  - That the activity or program took place while the association was authorized to offer association member credit.
  - That the producer actively participated in the association as described above.

In addition, for a review date after December 31, 2025, any activity by an insurance producer, as determined by the DIFS director, could be credited as an hour toward the required 24 hours of continuing education.

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## **BRIEF DISCUSSION:**

Supporters of the bill argued that it would help to encourage participation in professional organizations, which can improve both the organizations and the quality of insurance agents in Michigan.

## **FISCAL IMPACT:**

House Bill 4178 would have no fiscal impact on state or local government.

## POSITIONS:

A representative of the National Association of Insurance and Financial Advisors testified in support of the bill. (3-26-25)

The following organizations indicated support for the bill (3-26-25):

- Big I Michigan
- National Association of Benefits and Insurance Professionals

The Department of Insurance and Financial Services indicated a neutral position on the bill. (4-16-25)

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.