

SUBSTITUTE FOR
SENATE BILL NO. 1477

A bill to amend 1956 PA 218, entitled
"The insurance code of 1956,"
by amending section 1204 (MCL 500.1204), as amended by 2001 PA 228.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1204. (1) A resident individual applying for an insurance
2 producer license shall pass a written examination unless exempt
3 pursuant to section 1206b.

4 (2) Within a reasonable time after receipt of a properly
5 completed application **FOR EXAMINATION**, the commissioner shall
6 subject the applicant to a written examination. An applicant shall
7 not be given an examination unless the applicant has completed a
8 program of study registered with the commissioner pursuant to
9 section 1204a. An applicant shall file a certificate of completion
10 of the registered program of study with the commissioner on a form

1 prescribed by the commissioner indicating that the course of study
2 was completed by the applicant not more than ~~6-12~~ months before the
3 application **FOR EXAMINATION** is received by the commissioner. The
4 commissioner may waive the applicable examination or program of
5 study requirements of this section for a person who ~~applies~~ **MEETS**
6 **ANY OF THE FOLLOWING:**

7 (A) **APPLIES** for a limited license as designated by the
8 commissioner. ~~for a person who has~~

9 (B) **HAS** been a licensed insurance producer within the
10 preceding 12 months. ~~for a person who has~~

11 (C) **HAS** obtained the chartered property and casualty
12 underwriter designation, the chartered life underwriter
13 designation, certified insurance counselor designation, accredited
14 advisor in insurance designation, ~~or the chartered financial~~
15 consultant designation, ~~or for a person who has~~ **THE CERTIFIED**
16 **EMPLOYEE BENEFIT SPECIALIST DESIGNATION, THE CERTIFIED FINANCIAL**
17 **PLANNER DESIGNATION, THE FELLOW LIFE MANAGEMENT INSTITUTE**
18 **DESIGNATION, THE LIFE UNDERWRITING TRAINING COUNCIL FELLOW**
19 **DESIGNATION, THE REGISTERED HEALTH UNDERWRITER DESIGNATION, THE**
20 **REGISTERED EMPLOYEE BENEFITS CONSULTANT DESIGNATION, THE HEALTH**
21 **INSURANCE ASSOCIATE DESIGNATION, OR THE ASSOCIATE IN RISK**
22 **MANAGEMENT DESIGNATION.**

23 (D) **HAS** an associate's, bachelor's, or master's degree with a
24 concentration in insurance from an institution approved by the
25 commissioner.

26 (3) The examination shall **BE ENTRY LEVEL AND SHALL** test the
27 knowledge of the individual concerning the qualifications for which

1 application is made, the duties and responsibilities of an
2 insurance producer, and the insurance laws and regulations of this
3 state. Examinations required by this section shall be developed and
4 conducted as prescribed by the commissioner.

5 (4) The commissioner may make arrangements, including
6 contracting with an outside testing service, for administering
7 examinations under this section and collecting the nonrefundable
8 fee in section 240(1)(h) or (4).

9 (5) Each individual applying for an examination under this
10 section shall remit a nonrefundable fee as prescribed in section
11 240(1)(h) or (4).

12 (6) An individual who fails to appear for the examination
13 required under this section as scheduled or fails to pass the
14 examination shall reapply for an examination and remit all required
15 examination fees and forms to be rescheduled for another
16 examination.

17 Enacting section 1. This amendatory act takes effect 6 months
18 after the date it is enacted into law.