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SENATE CHAMBER

Testimony in support of SB 76

Mr. Chairman and committee members, thank you for allowing me to testify in support of SB 76.

Passage of SB 76 would allow Kansas to join at least 12 other states in providing their resident insurance agents, who have been in the business for at least 15 yrs., an exemption to the state-mandated requirement of taking continuing education courses/credits (CECs). The dozen or so states with exemptions from CECs are all over the board. Some are similar to the proposal in SB 76, while others are significantly different.

I'll start by answering the question of why the 85 career points was selected. Simply stated, 85 is the number used by the state pension system (KPERs). To obtain 85 career points, an agent's age is added to the number of years they've been continuously licensed as an insurance agent.

Examples of four states with exemptions that are similar to SB 76.

- ** South Carolina: Be at least 55 yrs. of age and licensed for 20 yrs. or more.
- ** Louisiana: Be at least 65 yrs. of age and licensed for 15 yrs. or more.
- ** California: Be at least 70 yrs. of age and licensed 30 yrs. or more.
- ** Missouri: Exempt at age 70.

Other states with some form of an exemption include Pennsylvania, South Dakota, Texas, Ohio, Vermont, North Carolina and Florida.

Some will say, or you may be of the opinion, that taking CECs is a good thing. Honestly, if taking CECs provided any benefit to Kansas insurance agents or consumers, I would not be standing before you today. But it doesn't. There is no testing to see if an agent learned anything from the course, or even paid attention, and there is no requirement that the course taken is in a subject matter the agent is licensed to sell. For Kansas agents who are single-line licensed – meaning they specialize in selling one product, like life insurance or annuities or Medicare supplement, etc. – they can, under current Kansas law, take up to 15 hrs. of CECs in property and casualty insurance. Yet that agent cannot advise a policyholder about their home or auto insurance coverage because they are not licensed to sell property and casualty insurance.

Notice starting on page 3, line 13. Kansas already has several exemptions to its 18-hour CECs requirement. SB 76 adds another exemption for older agents who have been in the insurance business for 15 years or more.

Passage of SB 76 would not stop or disallow any long-time insurance agent from taking CECs, they can take all the courses they wish. They simply would not have to meet the state-mandated requirement to spend money and time sitting through 18 hours of CECs.

On page 8, the bill needs a "technical" amendment to add in the 85 career points language.