

AMENDED IN SENATE AUGUST 15, 2016
AMENDED IN ASSEMBLY MARCH 16, 2016
CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 1899

Introduced by Assembly Member Calderon

February 11, 2016

An act to ~~amend~~ *amend, repeal, and add* Section 1677 of the Insurance Code, relating to insurance.

LEGISLATIVE COUNSEL'S DIGEST

AB 1899, as amended, Calderon. Insurance: production agents: license examinations.

Existing law requires the Insurance Commissioner to give, at least once each month, in each of the cities in which he or she has an office, qualifying examinations for production agent licenses. Existing law requires every qualifying examination for a production agent license to be in writing and to be of sufficient scope to satisfy the commissioner that the applicant has sufficient knowledge of, and is reasonably familiar with, the insurance laws of this state and with the provisions, terms, and conditions of the insurance that may be transacted pursuant to the license sought, and that the applicant has a general and fair understanding of the obligations and duties of the holder of that license.

This bill, ~~commencing January 1, 2018, from January 1, 2018, to January 1, 2024,~~ would require the examination for a license as a life agent, life-only agent, and accident and health agent be provided in English and Spanish. *The bill would require the Insurance Commissioner to evaluate the qualifying examination taken in Spanish and submit a report to the Legislature by March 1, 2023, as provided.*

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares that it is
2 essential that all of the state's residents have access to vital health
3 services that can prolong and enhance their lives, and that state
4 government continues to take reasonable and effective actions that
5 will facilitate access to these services.

6 SEC. 2. Section 1677 of the Insurance Code is amended to
7 read:

8 1677. (a) ~~Every~~*Each* qualifying examination for a license
9 pursuant to this chapter shall be in writing and shall be of sufficient
10 scope to satisfy the commissioner that the applicant has sufficient
11 knowledge of, and is reasonably familiar with, the insurance laws
12 of this state and with the provisions, terms, and conditions of the
13 insurance that may be transacted pursuant to the license sought,
14 and that the applicant has a general and fair understanding of the
15 obligations and duties of the holder of that license.

16 (b) On and after January 1, 2018, the examination for a license
17 as a life agent, life-only agent, and accident and health agent shall
18 be provided in English and Spanish.

19 (c) *The commissioner shall evaluate the qualifying examination*
20 *taken in Spanish and submit a report of the results to the*
21 *Legislature no later than March 1, 2023. The report shall be*
22 *submitted in compliance with Section 9795 of the Government*
23 *Code and shall include, but not be limited to, all of the following:*

24 (1) *The number of people taking the examination.*

25 (2) *The pass rate, including a comparison between the*
26 *comparable licensing examination taken in English.*

27 (3) *The number of licenseholders that sat for the examination*
28 *provided in Spanish and passed the examination that remain*
29 *licensed.*

30 (4) *The number of consumer complaints received and*
31 *enforcement actions taken with regard to the licenseholders who*
32 *passed the examination in Spanish.*

33 (d) *This section shall remain in effect only until January 1, 2024,*
34 *and as of that date is repealed, unless a later enacted statute, that*
35 *is enacted before January 1, 2024, deletes or extends that date.*

1 *SEC. 3. Section 1677 is added to the Insurance Code, to read:*
2 *1677. (a) Each qualifying examination for a license pursuant*
3 *to this chapter shall be in writing and shall be of sufficient scope*
4 *to satisfy the commissioner that the applicant has sufficient*
5 *knowledge of, and is reasonably familiar with, the insurance laws*
6 *of this state and with the provisions, terms, and conditions of the*
7 *insurance that may be transacted pursuant to the license sought,*
8 *and that the applicant has a general and fair understanding of the*
9 *obligations and duties of the holder of that license.*
10 *(b) This section shall become operative on January 1, 2024.*