

REFERENCE TITLE: insurance producers; examinations; applicability

State of Arizona
Senate
Forty-eighth Legislature
Second Regular Session
2008

SB 1086

Introduced by
Senator Gorman

AN ACT

AMENDING SECTION 20-284, ARIZONA REVISED STATUTES; REPEALING LAWS 2005,
CHAPTER 126, SECTION 3; RELATING TO INSURANCE PRODUCERS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 20-284, Arizona Revised Statutes, is amended to
3 read:

4 20-284. Application for examination

5 A. A resident individual applying for an insurance producer license
6 shall pass an examination within the one ~~hundred twenty day~~ YEAR period that
7 precedes the date the director received the individual's license application
8 unless the individual is exempt pursuant to section 20-288. The examination
9 shall test the knowledge of the individual concerning the lines of authority
10 for which the application is made, the duties and responsibilities of an
11 insurance producer and the insurance laws of this state.

12 B. For an individual called into active military service after passing
13 the examination, the one ~~hundred twenty day~~ YEAR period prescribed by
14 subsection A of this section shall be extended by the number of days that the
15 individual was in active military service, not to exceed a total of one ~~year~~
16 **AND ONE-HALF YEARS**. An individual applying for an insurance producer license
17 pursuant to this subsection shall include with the license application a copy
18 of the documentation from the armed forces showing the period of time that
19 the individual was in active military service. For the purposes of this
20 subsection, active military service does not include periodic and routine
21 service as a military reservist.

22 C. The director shall make the examination available to applicants for
23 licenses with such frequency as shall meet the reasonable convenience of both
24 the director and applicants, but at least every sixty days. The director may
25 reasonably prescribe by rule the time, places and conduct of examinations.
26 Except as provided in subsection H of this section, the director may require
27 a reasonable waiting period before examination of an applicant who failed to
28 pass a previous similar examination.

29 D. The director shall ensure that all examinations are given,
30 conducted and graded in a fair and impartial manner and without unfair
31 discrimination as among individuals examined. At the director's discretion,
32 any written examination may be supplemented by an oral examination of the
33 applicant. The director shall inform the applicant of the result of the
34 examination within thirty days after the examination.

35 E. The director may appoint one or more advisory committees to make
36 recommendations to the director as to the scope, type and conduct of written
37 examinations under this article. The members of the committee shall serve
38 without pay and without expense to the state.

39 F. An individual who fails to appear for the examination as scheduled
40 or who fails to pass the examination shall reapply for an examination and
41 remit all required fees and forms before being rescheduled for another
42 examination.

43 G. An individual shall not take an examination for a line of authority
44 for which the individual already holds a license in this state.

1 H. The director shall not allow an individual to take an examination
2 administered for any line of license authority pursuant to this section more
3 than four times within a twelve month period. If an individual fails an
4 examination for a specific line of authority four times, the individual may
5 not take an examination for that line of authority for one year. For the
6 purposes of this subsection, an individual who fails an examination that
7 covers more than one line of license authority is considered to have failed
8 the examination for each individual line of license authority.

9 Sec. 2. Repeal
10 Laws 2005, chapter 126, section 3 is repealed.