



AB-451 Insurance: license examinations. (2023-2024)

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Assembly Bill No. 451

CHAPTER 136

An act to amend Section 1677 of the Insurance Code, relating to insurance.

[Approved by Governor September 01, 2023. Filed with Secretary of State September 01, 2023.]

LEGISLATIVE COUNSEL'S DIGEST

AB 451, Calderon. Insurance: license examinations.

Existing law requires the Insurance Commissioner to give, at least once each month, in each of the cities in which they have an office, qualifying examinations for agent licenses. Existing law requires every qualifying examination 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.

Existing law, until January 1, 2024, requires the examination for a life agent or accident and health or sickness agent license be provided in English and Spanish. Existing law also requires the commissioner to evaluate the Spanish exam and report the results, and specified information, to the Legislature.

This bill would require the examination for a license for a life agent, accident and health or sickness agent, property broker-agent, and casualty broker-agent to be provided in English, Spanish, Simplified Chinese, Vietnamese, Korean, and, commencing July 1, 2024, Tagalog.

This bill would require the commissioner to report specified information, including the number of people taking the non-English exams, and first-time pass rate.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: no

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 1677 of the Insurance Code, as added by Section 3 of Chapter 560 of the Statutes of 2016, is amended to read:

1677. (a) Each qualifying examination for a license pursuant to this chapter shall be in writing and shall 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.

(b) The examination for a license as a life agent, accident and health or sickness agent, property broker-agent, and casualty broker-agent shall be provided in English, Spanish, Simplified Chinese, Vietnamese, and Korean.

(c) On or after July 1, 2024, the examination for a license as a life agent, accident and health or sickness agent, property broker-agent, and casualty broker-agent shall also be provided in Tagalog.

(d) As part of the commissioner's annual report to the Governor required under Section 12922, the commissioner shall also include the following information:

(1) The number of people taking the Spanish, Simplified Chinese, Vietnamese, Korean, and Tagalog examinations.

(2) The first-time pass rate of the Spanish, Simplified Chinese, Vietnamese, Korean, and Tagalog examinations, including a comparison between the comparable licensing examination taken in English.

(e) This section shall become operative on January 1, 2024.