

**Subchapter I. General Provisions Regarding Fees, Applications, and Renewals**  
**28 TAC §19.810****Subchapter K. Continuing Education, Adjuster Prelicensing Education Programs, and Certification Courses**  
**28 TAC §19.1004**

**INTRODUCTION.** The commissioner of insurance adopts the repeal of §19.803 and amended §19.810 in Subchapter I of 28 TAC Chapter 19 and adopts amended §19.1004 in Subchapter K of 28 TAC Chapter 19. These sections concern the licensing of insurance professionals. The amendments and repeal are adopted without changes to the proposed text published in the December 1, 2023 issue of the *Texas Register* (48 TexReg 7004).

**REASONED JUSTIFICATION.** The amended sections and repeal are necessary to remove redundant provisions and implement Senate Bill 422, 88th Legislature, 2023. Chapter 55 of the Occupations Code provides for alternative licensing procedures and requirements for military service members, military veterans, and military spouses. Before the passage of SB 422, Occupations Code §55.0041 required licensing agencies to recognize the out-of-state licenses of military spouses. SB 422 amended §55.0041 to also apply to military service members and to incorporate additional changes.

As part of the implementation of SB 422, the Texas Department of Insurance (TDI) is separately adopting new 28 TAC §1.814, which provides alternative licensing procedures and requirements for license applications by military service members, military veterans, and military spouses, consistent with Occupations Code Chapter 55 and 50 USC §4025a. New §1.814 applies to all licenses, permits, certifications, and other authorizations TDI issues, including insurance professional licenses.

The amendments to specific sections and the repeal are described in the following paragraphs.

**Section 19.803.** Section 19.803, which provides procedures for licensing of military service members, military veterans, and military spouses, is repealed. This section is no longer necessary; it is superseded by new 28 TAC §1.814.

**Section 19.810.** The adopted amendments to §19.810 remove outdated effective dates in subsection (a) and replace references to §19.803 in subsection (b) with references to new 28 TAC §1.814. The amendments also correct erroneous references in subsection (f), correct a grammatical error in subsection (h)(1), and insert the titles of cited Insurance Code and Administrative Code provisions in subsections (a), (c)(2), and (h)(1).

**Section 19.1004.** The adopted amendments to §19.1004 remove subsection (f), which provides for licensing-related exemptions and extensions for military service members. Subsection (f) is superseded by new 28 TAC §1.814. The amendments also update references to subsection (f) and redesignate the subsections that follow subsection (f) to reflect its removal. In addition, the amendments insert the titles of cited Insurance Code and Administrative Code provisions in subsection (b) and redesignated subsections (f) and (g).

**SUMMARY OF COMMENTS.** TDI provided an opportunity for public comment on the rule proposal for a period that ended on January 3, 2024. TDI did not receive any comments on the proposed amendments and repeal.

**Subchapter I. General Provisions Regarding Fees, Applications, and Renewals.  
Repeal of 28 TAC §19.803**

**STATUTORY AUTHORITY.** The commissioner adopts the repeal of §19.803 under Occupations Code §§55.002, 55.004(a), 55.0041, 55.007, and 55.008, and Insurance Code §§36.109, 4001.005, and 36.001.

Occupations Code §55.002 requires state agencies to adopt rules to exempt certain military service members from increased fees and penalties for failure to timely renew a license.

Occupations Code §55.004(a) requires state agencies to adopt rules for the issuance of a license to certain military service members, military veterans, and military spouses.

Occupations Code §55.0041, which addresses recognition of out-of-state licenses of military service members and military spouses, requires state agencies to adopt rules to implement the section. In addition, Occupations Code §55.0041(f) authorizes state agencies to adopt rules for the issuance of a license to a military service member or military spouse who provides confirmation from TDI of licensure verification and authorization to engage in the business or occupation under Occupations Code §55.0041.

Occupations Code §55.007, which addresses license eligibility requirements for military service members and military veterans, requires state agencies to adopt rules necessary to implement the section.

Occupations Code §55.008, which addresses apprenticeship requirements for certain applicants with military experience, requires state agencies to adopt rules necessary to implement the section.

Insurance Code §36.109, which addresses renewal extension for certain persons performing military service, authorizes the commissioner to adopt rules as necessary to implement the section.

Insurance Code §4001.005 authorizes the commissioner to adopt rules necessary to implement Title 13 of the Insurance Code and to meet minimum requirements of federal law.

Insurance Code §36.001 provides that the commissioner may adopt any rules necessary and appropriate to implement the powers and duties of TDI under the Insurance Code and other laws of this state.

**TEXT.****§19.803. Military Service Member, Military Veteran, and Military Spouse.****Subchapter I. General Provisions Regarding Fees, Applications, and Renewals  
28 TAC §19.810**

**STATUTORY AUTHORITY.** The commissioner adopts amendments to §19.810 under Occupations Code §§55.002, 55.004(a), and 55.0041, and Insurance Code §§36.109, 4001.005, and 36.001.

Occupations Code §55.002 requires state agencies to adopt rules to exempt certain military service members from increased fees and penalties for failure to timely renew a license.

Occupations Code §55.004(a) requires state agencies to adopt rules for the issuance of a license to certain military service members, military veterans, and military spouses.

Occupations Code §55.0041 which addresses recognition of out-of-state licenses of military service members and military spouses, requires state agencies to adopt rules to implement the section.

Insurance Code §36.109, which addresses renewal extension for certain persons performing military service, authorizes the commissioner to adopt rules as necessary to implement the section.

Insurance Code §4001.005 authorizes the commissioner to adopt rules necessary to implement Title 13 of the Insurance Code and to meet minimum requirements of federal law.

Insurance Code §36.001 provides that the commissioner may adopt any rules necessary and appropriate to implement the powers and duties of TDI under the Insurance Code and other laws of this state.

**TEXT.****§19.810. License Renewal and Application for an Expired License.**

(a) Applicability. This section applies to the renewal of a license and application for an expired license under Insurance Code Title 13, concerning Regulation of Professionals, that was issued or renewed on or after November 1, 2015.

(b) Conflicts with other sections. To the extent that this section conflicts with §1.814 of this title (relating to Military Service Member, Military Veteran, and Military Spouse) in the application of this section and §1.814 to military service members, military veterans, and military spouses, §1.814 controls.

(c) Unexpired license. A licensee may apply for renewal of a license that has neither expired nor been suspended or revoked by:

(1) submitting to TDI the required renewal application fee and renewal application; and

(2) completing the applicable continuing education requirement within the reporting period and prior to the expiration of the license, as required under Insurance Code §4004.055, concerning Conduct, Disciplinary Actions, and Sanctions.

(d) Noncompliance with subsection (c) of this section. If the licensee does not comply with subsection (c) of this section, the license will not be renewed and will expire on the expiration date.

(e) Renewal of a license that has been expired for 90 days or less. A licensee may renew a license that has been expired for 90 days or less. The licensee must submit to TDI within 90 days after the license expiration date:

(1) the required renewal application fee;

(2) an additional fee equal to one-half of the required renewal application fee;

(3) a completed renewal application; and

(4) evidence demonstrating that the licensee has:

(A) completed the applicable continuing education requirement before the license expired; or

(B) completed continuing education after the license expired and paid all applicable fines as required under Insurance Code §4004.055.

(f) Effect of renewal or nonrenewal of expired license. If the licensee completes each item listed in subsection (c) of this section for an unexpired license as described, or completes each item listed in subsection (e) of this section within 90 days after the license expiration date, and the license is renewed, the license will be renewed effective as of the license expiration date. If the licensee fails to complete each item listed in subsection (c)

of this section prior to the expiration date, or subsection (e) of this section within 90 days after the license expiration date, as applicable, the license cannot be renewed, and the individual cannot engage in the business of insurance in the capacity granted by that license effective as of the license's expiration date and continuing until the individual obtains a new license as provided in subsection (g) or (h) of this section.

(g) License expired for more than 90 days. If an individual's license has been expired for more than 90 days, but less than one year, the individual may apply for the expired license without an examination. The individual must submit to TDI within one year after the date the license expired:

- (1) a new original application;
- (2) the required application fee;
- (3) an additional fee equal to one-half of the required application fee; and
- (4) evidence demonstrating that the licensee has:

(A) completed the applicable continuing education requirement before the license expired; or

(B) completed continuing education after the license expired and paid all applicable fines as required under Insurance Code §4004.055.

(h) License expired for one year or more. If an individual's license has been expired for one year or more, to obtain the expired license the individual must:

(1) complete the requirements for a new license described in §§19.805 - 19.807 of this title (relating to Application for a New Individual License, Application for a Provisional Permit, and Application for a Temporary License), including reexamination, if applicable; and

(2) for a license that expired, was canceled, revoked, or not renewed on or after November 1, 2015, evidence demonstrating that the licensee:

(A) completed the applicable continuing education requirement before the license expired; or

(B) completed continuing education after the license expired and paid all applicable fines as required under Insurance Code §4004.055.

**Subchapter K. Continuing Education, Adjuster Prelicensing Education Programs,  
and Certification Courses  
28 TAC §19.1004**

**STATUTORY AUTHORITY.** The commissioner adopts amendments to §19.1004 under Occupations Code §§55.002, 55.004(a), and 55.0041, and Insurance Code §§36.109, 4001.005, and 36.001.

Occupations Code §55.002 requires state agencies to adopt rules to exempt certain military service members from increased fees and penalties for failure to timely renew a license.

Occupations Code §55.004(a) requires state agencies to adopt rules for the issuance of a license to certain military service members, military veterans, and military spouses.

Occupations Code §55.0041, which addresses recognition of out-of-state licenses of military service members and military spouses, requires state agencies to adopt rules to implement the section.

Insurance Code §36.109, which addresses renewal extension for certain persons performing military service, authorizes the commissioner to adopt rules as necessary to implement the section.



Insurance Code §4001.005 authorizes the commissioner to adopt rules necessary to implement Title 13 of the Insurance Code and to meet minimum requirements of federal law.

Insurance Code §36.001 provides that the commissioner may adopt any rules necessary and appropriate to implement the powers and duties of TDI under the Insurance Code and other laws of this state.

**TEXT.****§19.1004. Licensee Exemption from and Extension of Time for Continuing Education.**

(a) Any exemption or extension granted to a licensee under subsections (b) - (f) of this section applies to all license types held by the licensee. Nothing within this subchapter may be construed as preventing TDI from auditing a licensee to confirm the continued existence of circumstances supporting the exemption or extension.

(b) An agent who held a Texas resident license issued under Insurance Code Article 21.07-1, as Group I, legal reserve life insurance agent or general lines life, accident, and health insurance agent; Article 21.07-3, as managing general agent; or Article 21.14, as local recording agent, solicitor, general lines property and casualty agent, or insurance service representative, for at least 20 years or more as of December 31, 2002, is exempt from completing the required number of continuing education hours in §19.1003 of this title (relating to Licensee Hour and Completion Requirements). Agents must confirm that they qualify for this exemption by submitting a written request to TDI indicating that they have met the longevity requirement. TDI or TDI's designee will provide written notice that an agent qualifies for this exemption. Agents that qualified for the longevity exemption

authorized under the Insurance Code prior to September 1, 2001, remain qualified and do not have to reapply for this exemption.

(c) A licensee who on or after January 1, 2003, has been continuously licensed by TDI for at least 20 years is exempt from completing the required number of continuing education hours in §19.1003 of this title. For purposes of this subsection "continuously licensed" means that the licensee has held a TDI issued license for the entire period of time without any lapse in excess of 90 days in which the licensee was not licensed or failed to renew a license. The exemption will apply beginning with the reporting period in which the licensee reaches the 20th year of licensure. TDI or TDI's designee will provide written notice to the licensee that a licensee qualifies for this exemption. Licensees may not claim the exemption prior to receiving written notice that they qualify for the exemption. Licensees may submit a written request to TDI to evaluate their longevity status.

(d) Nonresident licensees, are subject to the following requirements:

(1) A nonresident licensee, including an adjuster with a designated home state adjuster license issued by a state other than Texas, who is in compliance with the licensee's resident state's or adjuster's designated home state's continuing education requirements are not required to complete the continuing education requirement under this subchapter. A licensee may qualify for this exemption based on the following:

(A) the licensee's state of residence, or adjuster's designated home state, claimed in the licensee's original application;

(B) by sending written notification to TDI or its designee stating that the licensee is a resident of another state, or the adjuster has a designated home state other than Texas, with a certificate of good standing; or

(C) by sending any other document acceptable to TDI, showing that the licensee has a resident license or an adjuster's designated home state adjuster license in good standing in that state.

(2) A designated home state adjuster licensee who designates Texas as the licensee's home state is not exempt under this subsection and must complete continuing education under the same requirements as a Texas resident adjuster as required under §19.1003(e) of this title.

(e) Licensees who meet the criteria of illness, medical disability, or circumstances beyond the control of the licensee may apply for an exemption or extension of time to complete their continuing education requirement without incurring a fine or a waiver, in whole or in part, of the continuing education requirement. Business reasons do not constitute circumstances beyond the control of the licensee. TDI will establish the duration of the extension when it is granted. If the circumstances supporting the extension continue beyond the granted extension period, the licensee may reapply for an exemption or extension. The licensee's application must include the information set forth in paragraphs (1) - (6) of this subsection:

(1) a written statement of the exact nature of the illness, medical disability or other extenuating circumstances beyond the control of the licensee that have prevented or will prevent the licensee from completing the required hours within the reporting period;

(2) evidence regarding the illness or medical disability of the licensee and circumstances beyond the control of the licensee;

(3) a written assessment of whether the condition is temporary, permanent, or unknown;

(4) a written statement as to whether the licensee will be able to perform activities including any acts of an agent or adjuster during the exemption or extension period being requested;

(5) the estimated date when the licensee will be able to perform any activities including any acts of an agent or adjuster in accordance with the medical reports or other documents pertaining to circumstances beyond the control of the licensee; and

(6) any other information that may be of assistance in evaluating the request.

(f) An individual holding a risk manager license is exempt from the continuing education requirements under this subchapter for any license held by the individual, if the individual demonstrates in writing to TDI that the individual has held one of the following designations listed in Insurance Code §4153.055, concerning Exemptions from Examination and Continuing Education Requirement, for a period of not less than 30 years:

- (1) certified insurance counselor,
- (2) associate in risk management, or
- (3) certified risk manager.

(g) A licensee holding only a funeral prearrangement life insurance agent license or a life insurance not exceeding \$25,000 agent license and meeting the requirements specified in Insurance Code §4054.159, concerning Continuing Education Exemption, or Insurance Code §4054.207, concerning Continuing Education Exemption, is exempt from completing the continuing education requirements in this subchapter. A licensee claiming this exemption must attest to meeting this requirement during each reporting period with the licensee's license renewal.

# 2024-8524

TITLE 28. INSURANCE  
Part I. Texas Department of Insurance  
Chapter 19. Licensing and Regulation of Insurance Professionals

Adopted Sections and Repeal  
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**CERTIFICATION.** This agency certifies that legal counsel has reviewed the adoption and found it to be a valid exercise of the agency's legal authority.

Issued at Austin, Texas, on February 9, 2024.

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*Jessica Barta*  
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Jessica Barta, General Counsel  
Texas Department of Insurance

The repeal of 28 TAC §19.803 and the amendments to 28 TAC §19.810 and §19.1004 are adopted.

DocuSigned by:  
*Cassie Brown*  
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Cassie Brown  
Commissioner of Insurance

Commissioner's Order No. 2024-8524