

INSURANCE CODE

TITLE 7. LIFE INSURANCE AND ANNUITIES

SUBTITLE A. LIFE INSURANCE IN GENERAL

CHAPTER 1117. USE OF SENIOR-SPECIFIC CERTIFICATIONS OR
PROFESSIONAL DESIGNATIONS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1117.001. PURPOSE. The purpose of this chapter is to establish standards to protect consumers from misleading and fraudulent marketing practices with respect to the use of certain senior-specific certifications and professional designations in soliciting the sale or purchase of, or providing advice made concerning, life insurance or annuity products.

Added by Acts 2009, 81st Leg., R.S., Ch. 362 (H.B. [1294](#)), Sec. 2.001, eff. September 1, 2009.

Sec. 1117.002. DEFINITIONS. In this chapter:

(1) "Insurance agent" means an agent licensed under this code to sell, solicit the sale of, or negotiate a life insurance or annuity product.

(2) "Senior-specific certification or professional designation" means a certification or designation that implies that an insurance agent holds a special certification or has specialized training in advising or servicing seniors regarding purchasing or selling a life insurance or annuity product.

Added by Acts 2009, 81st Leg., R.S., Ch. 362 (H.B. [1294](#)), Sec. 2.001, eff. September 1, 2009.

Sec. 1117.003. APPLICABILITY OF CHAPTER; CONSTRUCTION WITH OTHER LAW. (a) This chapter applies to any solicitation, sale or purchase of, or advice made in connection with, a life insurance or annuity product by an insurance agent.

(b) Nothing in this chapter may be construed to limit the commissioner's authority to enforce any other provision of this code or another law.

Added by Acts 2009, 81st Leg., R.S., Ch. 362 (H.B. [1294](#)), Sec.

SUBCHAPTER B. USE OF SENIOR-SPECIFIC CERTIFICATIONS AND
PROFESSIONAL DESIGNATIONS

Sec. 1117.051. CERTAIN USES OF SENIOR-SPECIFIC CERTIFICATIONS AND DESIGNATIONS PROHIBITED. (a) An insurance agent may not, directly or indirectly, use a senior-specific certification or professional designation in such a way as to mislead a purchaser or prospective purchaser that the agent has special certification or training in advising or servicing seniors in connection with the solicitation, sale, or purchase of a life insurance or annuity product or in the provision of advice as to the value of or the advisability of purchasing or selling a life insurance or annuity product:

- (1) through any writing or other publication; or
- (2) by issuing or disseminating analyses or reports related to a life insurance or annuity product.

(b) Subsection (a) prohibits the use of a senior-specific certification or professional designation only by an insurance agent using:

- (1) a certification or professional designation that the agent has not actually earned or for which the agent is ineligible;

- (2) a nonexistent or self-conferred certification or professional designation;

- (3) a certification or professional designation that indicates or implies a level of occupational qualification obtained through education, training, or experience that the agent has not obtained; and

- (4) a certification or professional designation that was obtained from an organization that:

- (A) is primarily engaged in the business of instruction in sales or marketing;

- (B) does not have reasonable standards or procedures for:

- (i) assuring the competency of individuals

granted a certification or designation by the organization; or

(ii) monitoring and disciplining individuals granted a certification or designation by the organization for improper or unethical conduct; or

(C) does not have reasonable continuing education requirements in order to maintain the certification or designation for individuals granted a certification or designation by the organization.

(c) A rebuttable presumption exists that a certification or professional designation granted by an organization described by Subsection (b)(4) is not prohibited under Subsection (a) if the certification or designation issued by the organization does not primarily apply to sales or marketing and if the organization or the certification or designation has been accredited by:

(1) the American National Standards Institute;

(2) the National Commission for Certifying Agencies;

(3) any organization that is included in "Accrediting Agencies Recognized for Title IV Purposes" published by the U.S. Department of Education; or

(4) any other national accrediting organization recognized by the commissioner.

(d) In determining whether a word, a combination of words, or an acronym constitutes a senior-specific certification or professional designation, the commissioner shall consider:

(1) the use of one or more words such as "senior," "retirement," "elder," or similar words combined with one or more words such as "certified," "registered," "chartered," "advisor," "specialist," "consultant," "planner," or similar words, in the name of the certification or professional designation; and

(2) the manner in which those words are combined.

Added by Acts 2009, 81st Leg., R.S., Ch. 362 (H.B. [1294](#)), Sec. 2.001, eff. September 1, 2009.

Sec. 1117.052. APPLICABILITY TO CERTAIN FINANCIAL SERVICES.

(a) Notwithstanding Section [1117.003](#), for purposes of this chapter, a job title used within an organization that is licensed or registered by a state or federal financial services regulatory

agency and that indicates seniority or standing within the organization, or that specifies an individual's area of specialization within the organization, is not a senior-specific certification or professional designation unless the title is used in a manner that is likely to confuse or mislead a reasonable consumer.

(b) For purposes of Subsection (a), "financial services regulatory agency" includes an agency that regulates insurers, insurance producers, broker-dealers, investment advisers, or investment companies, as defined by the Investment Company Act of 1940 (15 U.S.C. Section 80a-1 et seq.).

Added by Acts 2009, 81st Leg., R.S., Ch. 362 (H.B. [1294](#)), Sec. 2.001, eff. September 1, 2009.