

# ARKANSAS REGISTER

## Transmittal Sheet

Sharon Priest  
 Secretary of State  
 State Capitol Room 01  
 Little Rock, Arkansas 72201-1094

For Office Use Only: Effective Date 12/12/99 Code Number 054.00.99-006

Name of Agency Arkansas Insurance Department

Department Legal Division

Contact Person Leslie Fiskin, Associate Counsel Phone (501) 371-2820

Statutory Authority for Promulgating Rules Ark. Code Ann. §23-64-304(a), as amended by Act 1004 of 1997

		Date
Intended Effective Date	Legal Notice Published . . . . .	<u>Sept 5-11, 1999</u>
<u>      </u> Emergency	Final Date for Public comment . . .	<u>October 19, 1999</u>
<u>      </u> 10 Days After Filing	Filed with Legislative Council . . . .	<u>September 9, 1999</u>
<u>12/1/99</u> Other	Reviewed by Legislative Council .	<u>November 4, 1999</u>
<u>                                </u>	Adopted by State Agency . . . . .	<u>November 10, 1999</u>

### CERTIFICATION OF AUTHORIZED OFFICER

I Hereby Certify That The Attached Rules Were Adopted  
 In Compliance with Act 434 of 1967 As Amended

  
 Signature

(501) 371-2820  
 Phone Number

Associate Counsel  
 Title

November 18, 1999  
 Date

FILED

DEC 02 1999

SHARON PRIEST  
 SECRETARY OF STATE

BY \_\_\_\_\_

BY \_\_\_\_\_  
 STATE OF ARKANSAS  
 SECRETARY OF STATE  
 SHARON PRIEST  
 99 NOV 32 AM 9:04  
 AR. REGISTER DIV.  
**FILED**



**RULE AND REGULATION 50  
AGENTS CONTINUING EDUCATION**

**SECTION**

1. Purpose
2. Authority
3. Effective Date and Applicability
4. Exemptions
5. Educational Requirements
6. Course Provider Approval
7. Instructor Qualifications
8. Program Review
9. Fees and Compliance
10. Penalties
11. Severability

APPENDIX A Course Application for Continuing Education

APPENDIX B Course Description

APPENDIX C Change in Curriculum or Instructor

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APPENDIX E Individual Certificate of Completion

APPENDIX F Request for Exemption

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**FILED**  
AR. REGISTER DIV.  
99 NOV 32 AM 9:04  
SHARON PRIEST  
SECRETARY OF STATE  
STATE OF ARKANSAS  
BY \_\_\_\_\_

**SECTION 1. PURPOSE**

The purpose of this Rule and Regulation is to establish requirements and standards for continuing education for natural persons licensed as insurance agents or brokers by the Commissioner.

**SECTION 2. AUTHORITY**

This Rule is issued under the authority vested in the Commissioner of Insurance ("Commissioner") by Ark. Code Ann. Section 23-64-304(a), as amended by Act 1004 of 1997.

**SECTION 3. EFFECTIVE DATE AND APPLICABILITY**

This Rule and Regulation shall be effective April 15, 1998 and shall be applicable to those persons licensed to act as an insurance agent or broker, who must comply with Ark. Code Ann. §§23-64-301, et seq., on and after July 1, 1998, for the sale of the following types of insurance:

- A. Life and disability insurance.
- B. Property and casualty insurance.
- C. All lines of insurance for which an examination is required for licensing.

**SECTION 4. EXEMPTIONS**

- A. This Rule and Regulation shall not apply to the following individuals:
  1. Persons holding licenses for which an examination is not required.
  2. Adjusters and limited adjusters and consultants.
  3. Any limited or restricted license the Commissioner may exempt.

4. Any person who is at least sixty (60) years of age.
  5. Any person who has held a license as an agent, solicitor, consultant or broker for a period of at least fifteen (15) consecutive years.
  6. Third-party administrators who do not solicit business.
  7. Non-resident agents, non-resident consultants or brokers.
  8. Licensed insurance consultants for life, disability, property or casualty insurance, or for other lines of insurance; and
  9. Nonresident agents and brokers in the first full year of resident licensing following the year after a change in the state of domicile or residency to the State of Arkansas; but thereafter annually or otherwise in accordance with insurance continuing education laws, and rules and regulations of the commissioner.
- B. All persons requesting exemption from compliance under Subsection (A)(4) and (5) only shall complete and file with the License Division of the Arkansas Insurance Department the form as found in Appendix F.
- C. Newly licensed agents and brokers during the calendar year in which the applicant first received an Arkansas license shall not be required to comply with continuing education requirements; continuing education requirements shall be due on the licensee's birthday in the first annual period after first renewal of the license (i.e. one year from first renewal of the license).

## SECTION 5. EDUCATIONAL REQUIREMENTS

- A. Effective July 1, 1998, any non-exempt persons licensed as agents or brokers shall, before each annual period on their birthday, complete those courses of instruction approved by the Commissioner and equivalent to the following:
1. A total of eight (8) hours of instruction for a life and disability license or life or disability licenses.
  2. A total of eight (8) hours of instruction for a property and/or casualty license.
  3. A total of ten (10) hours of instruction for those other persons holding dual licenses for life and/or disability and property and/or casualty.
- B. Subject to submission and approval of the Commissioner, the courses or programs of instruction successfully completed which shall be deemed to meet the Commissioner's standards for continuing education requirements are:
1. Any part of the Life Underwriting Training Council Life Courses Curriculum and Health Courses.
  2. Any part of the American College "CLU" diploma curriculum.
  3. Any part of the Insurance Institute of America's Program in general insurance.
  4. Any part of the American Institute for Property and Liability Underwriters' chartered Property Casualty Underwriter (CPCU) professional designated program.
  5. Any part of the Certified Insurance Counselor Program.
  6. Any course offered by Certified Health Consultant (CHC).
  7. Any course offered by Registered Health Consultant.
  8. Any insurance related course approved by the Commissioner and offered by an accredited college or university.
  9. Any course or program of instruction, seminar, or meeting sponsored by any authorized insurer, recognized agents' association or insurance trade association or any independent program of instruction.

10. Any correspondence courses, including, but not limited to, correspondence courses offered via the Internet. Any correspondence course, subject to the following:
  - i. All correspondence courses must have a sealed and numbered written examination which measures the licensee's knowledge of the information. Course providers may also add oral or electronic correspondence courses, with oral or electronic examinations.
  - ii. All correspondence course examinations must be proctored.
  - iii. Proctors must provide an affidavit attesting under oath that the examination was proctored, that the examination was provided in a manner specified by the correspondence course provider, and that they are not part of or aware of any efforts to circumvent the requirements of the examination, as provided in Appendix G.
  - iv. Appendix G must accompany the licensee's completed Certificate, Appendix E. Correspondence course providers shall maintain all records on proctors and proctored examinations.
  - v. A proctor must be registered annually with and be acceptable to the Commissioner. Proctors may not serve for examinations of: family members or relatives or dependents, employers or supervisors, employees or subordinates, partners or joint venturers or co-owners, current or former teachers or pupils, neighbors or personal friends or significant others, or for anyone in whom the proctor has an economic or other interest in assuring the successful outcome of the examination.
  - vi. Course providers' filings must explain how correspondence course exams will not be duplicated for any two (2) test takers.
  - vii. Correspondence courses approved and subsequently purchased by the agent or broker, prior to the re-adoption date of this Rule, shall not be governed by this Rule; however course providers must contact the License Division to reconfirm credit hours.
11. Any other course or program approved by the Commissioner.
12. Subject to approval by the commissioner, the active annual membership of the licensed agent or broker in local, regional, state or national professional insurance organizations or associations may be approved for up to two (2) annual hours of instruction. These hours shall be credited upon timely filing with the commissioner or his designee appropriate written evidence acceptable to the commissioner of such active membership in the organization or association.

C. The Commissioner shall assign the number of continuing education hours for which approved courses qualify.

## **SECTION 6. COURSE PROVIDER APPROVAL**

- A. Application for approval as a provider shall be submitted to the License Division of the Arkansas Insurance Department not less than sixty (60) days prior to the expected use of the program. A provider shall include the following information in duplicate:
  1. Detailed description of the subject of the program or course including a course outline, list of any resource materials, and list of speakers or instructors or proctors.
  2. Completion of Appendices A and B and D for the initial certification, and completion of Appendices C and D upon any change in curriculum or instructor.
  3. Schedules of classes, seminars and meetings for all locations.

- B. Changes in schedules are to be filed with the Insurance Department no later than two (2) weeks before such program or course is offered.

## **SECTION 7. INSTRUCTOR QUALIFICATIONS**

- A. A person teaching any approved course of instruction or lecturing at any approved seminar or meeting shall qualify for the same number of educational hours for that course as would be granted to a person taking and successfully completing such course, seminar or program.
- B. Instructors must have had specific insurance training or educational experiences satisfactory and approved by the State Insurance Commissioner in order to be certified to teach any part of any approved course. Each instructor must have five (5) or more years of specific insurance experience and/or education related to and in each part of the insurance training program in which he instructs and must be approved prior to teaching any course, or any part of a course, by the State Insurance Commissioner. Applicants for approval as an instructor shall complete and submit Appendix D to the License Division of the Arkansas Insurance Department.
- C. No person will be approved as an instructor who has received disciplinary action by the Arkansas Insurance Department, the Insurance Department of another state, or any similar regulatory body or court. The Commissioner shall have the authority to waive this requirement.

## **SECTION 8. PROGRAM REVIEW**

Representatives of the Insurance Commissioner shall have the authority to visit a course or program and review its offering at any time including, but not limited to, curriculum records and attendance records.

## **SECTION 9. FEES AND COMPLIANCE**

- A. Every person subject to this Regulation shall furnish, in a form satisfactory to the Commissioner, written certification as to the courses, programs and seminars of instruction taken and successfully completed by such person. Such certification shall be executed by or on behalf of the course provider and may be in the form prescribed in Appendix E. The Commissioner shall provide direction to the vendor as to the form used. Each licensee or the approved course provider may make the filing for the licensee to the Commissioner or his designee. The Commissioner may require vendors to submit the agent's Certificate of Completion of Continuing Education hours on an electronic media to the Department, and may require the vendor to submit information to an outside vendor or other parties contracting with the Commissioner to maintain and update insurance licensees' continuing education data.
- B. Every person subject to this Rule and Regulation and who furnishes to the Commissioner or Vendor of the Commissioner, written certification as to the courses or programs of instruction taken and successfully completed shall tender a filing fee as directed by the Commissioner or Vendor of the Commissioner under his approval.
- C. Excess educational hours accumulated during any annual period may be carried forward only to the next annual period. Excess hours in the amount required pursuant to this rule may be carried forward to the next calendar year. Continuing education carried forward to the following calendar year shall expire upon commencement of the third year following completion of the hours.

- D. For good cause shown, the Commissioner may grant an extension of time during which the requirements may be completed.

### SECTION 10. PENALTIES

Upon failure of any agent or broker to comply with Ark. Code Ann. Section 23-64-301, et seq., the Commissioner shall take the steps enumerated in Ark. Code Ann. Section 23-64-304(d) against such individual's license. Failure to comply with this Rule may result in imposition of penalties contained in §23-64-216, as amended, or other applicable laws or rules.

### SECTION 11. SEVERABILITY

Any section or provision of this Rule held by the court to be invalid or unconstitutional will not affect the validity of any other section or provision.



MIKE PICKENS  
INSURANCE COMMISSIONER  
STATE OF ARKANSAS

11/10/29

DATE

**APPENDIX A  
 COURSE APPLICATION FOR CONTINUING EDUCATION CREDIT  
 IN ARKANSAS  
 ARKANSAS DEPARTMENT OF INSURANCE REGULATION NO. 50**

Approved _____
Disapproved _____
Credit _____
# CE hours approved _____

NAME: _____
TELEPHONE: _____
1 ( ) _____
1 (800) _____

\_\_\_\_\_  
 COURSE TITLE/NAME (ATTACH APPENDIX B)      DATE OF COURSE      PROVIDER NUMBER

LOCATION \_\_\_\_\_ CITY \_\_\_\_\_

INSTRUCTOR \_\_\_\_\_ TELEPHONE \_\_\_\_\_

QUALIFICATIONS OF INSTRUCTOR, INCLUDE RESUME (APPENDIX D)

\_\_\_\_\_

QUALIFICATIONS OF PROCTOR (ATTACH)

METHOD OF INSTRUCTION:

- Classroom/Lecture     Correspondence     Employee Training  
 Seminar     Professional Association     College/University  
 Other \_\_\_\_\_

Number of Hours of Instruction or Classroom Hours \_\_\_\_\_

Total Number of Continuing Education credit hours requested \_\_\_\_\_

METHOD OF DETERMINING SATISFACTORY COMPLETION:

- Examination     Attendance     Report     Other \_\_\_\_\_

NAMES AND SIGNATURES OF AUTHORIZED REPRESENTATIVES TO SIGN CERTIFICATES OF COMPLETION:

\_\_\_\_\_  
 Name (Type or Print)      Signature

\_\_\_\_\_  
 Name (Type or Print)      Signature

SUBMITTED BY:

\_\_\_\_\_  
 Name (Type or Print)      Signature

\_\_\_\_\_  
 Title      Organization

NOTE: APPENDIX A AND APPENDIX B AND APPENDIX D MUST BE SUBMITTED TO THE ARKANSAS INSURANCE DEPARTMENT, 1200 West Third Street, Little Rock, Arkansas 72201-1904, or as directed by the Commissioner.



**APPENDIX B  
 COURSE DESCRIPTION  
 ARKANSAS DEPARTMENT OF INSURANCE CONTINUING EDUCATION  
 REGULATION NO. 50**

Course Title: \_\_\_\_\_

Dates Offered: \_\_\_\_\_

<u>TIME START</u>	<u>TIME STOP</u>	<u>TOTAL TIME SPENT ON SUBJECT</u>	<u>CREDIT HOURS REQUESTED</u>	<u>DESCRIPTION OF SUBJECT MATTER</u>

**APPENDIX C  
CHANGE IN CURRICULUM OR INSTRUCTOR OR PROCTOR  
ARKANSAS DEPARTMENT OF INSURANCE CONTINUING EDUCATION  
REGULATION NO. 50**

To: ARKANSAS INSURANCE DEPARTMENT  
Licensing Division  
1200 West Third Street  
Little Rock, Arkansas 72201-1904

(SUBMIT IN DUPLICATE)

Name of Training Facility \_\_\_\_\_

Address \_\_\_\_\_

Name and Telephone Number \_\_\_\_\_  
Of contact person

The following changes have been made in our Course Curriculum and/or Instructors:

(Attach the Applicable Changes)

- 1) Course Description (Appendix B)
- 2) List of Resource Materials
- 3) Names of Instructors and Qualifications (Appendix D)
- 4) Names of Instructors serving as Designated Officials of Provider
- 5) Names of Proctors (Attach Resume)

\_\_\_\_\_  
Typed Name of Training Facility Official

\_\_\_\_\_  
Signature of Training Facility Official

\_\_\_\_\_  
Date

FOR DEPARTMENT USE ONLY

APPROVED BY: \_\_\_\_\_ DATE: \_\_\_\_\_

DISAPPROVED BY: \_\_\_\_\_ DATE: \_\_\_\_\_

APPENDIX D  
APPLICATION FOR APPROVAL AS INSTRUCTOR  
ARKANSAS DEPARTMENT OF INSURANCE  
CONTINUING EDUCATION  
REGULATION NO. 50

ARKANSAS INSURANCE DEPARTMENT  
Licensing Division  
1200 West Third Street  
Little Rock, Arkansas 72201-1904

(SUBMIT IN DUPLICATE)

- 1) Name \_\_\_\_\_  
Address \_\_\_\_\_  
Phone: Office ( ) \_\_\_\_\_ Home ( ) \_\_\_\_\_
- 2) Name and Address of Current Employer \_\_\_\_\_  
\_\_\_\_\_
- 3) Name of Sponsoring Training Facility \_\_\_\_\_  
Address \_\_\_\_\_
- 4) Please list all resident and non-resident insurance licenses you currently hold as agent, broker, consultant, adjuster, managing general agent, etc.:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
- 5) Please summarize your insurance experience and training, totaling five (5) years (attach addition sheets, if necessary): \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

6) Please summarize your insurance education, including, but not limited to, college/university insurance course(s) hours; insurance seminars and training courses; number of hours completed toward certifications such as CLU, CPCU, FLMI, etc. (Attach additional sheets, as necessary.):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

[Note: As specific training on insurance is a prerequisite, please do not include general education hours or degrees, such as BA or MBA Degrees in Business, Marketing, etc.]

7) Courses of study at Training Facility for which you propose to serve as Instructor:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**ATTACH FOLLOWING DOCUMENTS:**

- a) Resume or Curriculum Vitae, if any;
- b) Appendix C completed by Training Facility Official; and
- c) As to non-resident applicants only, please attach written verification from your domiciliary state insurance department confirming that you have held an insurance license(s) for a minimum of five (5) years, and that your license(s) has never been suspended or revoked.

Subscribed to and sworn or affirmed before me this \_\_\_\_\_ day of \_\_\_\_\_, [Year].

\_\_\_\_\_  
Name of Applicant

\_\_\_\_\_  
Notary Public

My Commission expires

\_\_\_\_\_

**FOR DEPARTMENT USE ONLY**

APPROVED BY: \_\_\_\_\_ DATE: \_\_\_\_\_

DISAPPROVED BY: \_\_\_\_\_ DATE: \_\_\_\_\_

**APPENDIX E  
INDIVIDUAL CERTIFICATE OF COMPLETION  
ARKANSAS DEPARTMENT OF INSURANCE  
CONTINUING EDUCATION  
REGULATION NO. 50**

CERTIFICATE OF COMPLETION

\_\_\_\_\_  
Name (Type or Print) Social Security No. \_\_\_\_\_

\_\_\_\_\_  
Street Address City State Zip Code

I, \_\_\_\_\_  
Authorized Representative (Type or Print)

of \_\_\_\_\_  
Organization Provider Number

do hereby certify that the person named herein has successfully completed the following approved and certified courses:

Course Title \_\_\_\_\_

Number of Credit Hours Earned \_\_\_\_\_ Course No. \_\_\_\_\_

Date of Course Completion \_\_\_\_\_

Name of Sponsor \_\_\_\_\_

This course has been certified by the Arkansas Department of Insurance pursuant to Regulation No. 50.

\_\_\_\_\_  
Date Signature of Authorized Training Representative

\_\_\_\_\_  
Date Signature of Attendee

THIS DEPARTMENT OF INSURANCE CERTIFICATE WILL BE ACCEPTED AS EVIDENCE OF COMPLETION OF AN APPROVED COURSE. THE LICENSEE MUST RETAIN COPIES OF HIS OR HER CERTIFICATES OF COMPLETION EARNED FOR THE MOST RECENT ANNUAL PERIOD.

THIS FORM MAY BE REPRODUCED BY THE COURSE SPONSOR ONLY. CONTACT THE LICENSE DIVISION BEFORE USE OF ANY CONTENT OR FORMAT CHANGES TO THE SPECIMEN FORM.

**APPENDIX F  
REQUEST FOR EXEMPTION  
ARKANSAS DEPARTMENT OF INSURANCE CONTINUING EDUCATION  
REGULATION NO. 50**

TO: ARKANSAS INSURANCE DEPARTMENT  
Licensing Division  
1200 West Third Street  
Little Rock, AR 72201-1904

Under Arkansas Code Section 23-64-302(3) and (4) as amended, I am requesting the following exemption:

\_\_\_\_\_ At least sixty (60) years of age. Date of Birth \_\_\_\_\_ (Attach copy of birth certificate or other document evidencing date of birth)

\_\_\_\_\_ Have held a license as an agent, broker, solicitor, or consultant for a period of fifteen (15) consecutive years. Beginning Date \_\_\_\_\_

I certify that the information set out above is true and correct to the best of my knowledge and belief.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print or Type)

\_\_\_\_\_  
Social Security Number

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
Telephone Number

\_\_\_\_\_  
City, State, Zip

Subscribed to or affirmed before me a notary public in and for the State of Arkansas on this \_\_\_\_\_ day of \_\_\_\_\_, [Year].

\_\_\_\_\_  
Notary Public

My Commission expires \_\_\_\_\_

**APPENDIX G  
AFFIDAVIT OF PROCTOR  
ARKANSAS DEPARTMENT OF INSURANCE CONTINUING EDUCATION  
REGULATION NO. 50**

Name of Licensee Taking Examination \_\_\_\_\_

Licensee Social Security Number \_\_\_\_\_

Course Title/Name \_\_\_\_\_

Date of Examination \_\_\_\_\_

Location of Examination \_\_\_\_\_

Start Time: \_\_\_\_\_ End Time: \_\_\_\_\_

(Appendix G must be attached to Appendix E)

\* \* \* \* \*

Proctor Name (Type or Print) \_\_\_\_\_

Proctor Social Security Number \_\_\_\_\_

Registration held by Proctor \_\_\_\_\_ (Registration must be current and in good standing, issued by the Commissioner)

I do hereby solemnly attest that I proctored the above correspondence examination provided to the above named licensee and that the examination was provided as instructed by the Correspondence Course Provider. I personally opened sealed and numbered Exam # \_\_\_\_\_ on site for the test taken and assure you that no taker(s) was permitted to use study materials or have assistance during the exam. Further, I am not part of or aware of any efforts to circumvent the requirements of the proctored examination. I understand that this Affidavit is provided under oath or affirmation and that as a registrant of the Commissioner, false information shall be grounds for cancellation of my registration or other penalties. I will provide a complete and accurate copy of all my records to the approved Course Provider, who must maintain them for access by the State Insurance Department.

\_\_\_\_\_  
Signature of Proctor

\_\_\_\_\_  
Date

Subscribed, sworn to or affirmed before me, a notary public in and for the State of Arkansas, on this \_\_\_\_\_ day of \_\_\_\_\_, [Year].

\_\_\_\_\_  
Notary Public

My Commission expires \_\_\_\_\_

