



Arkansas Insurance Department

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1200 West Third Street
Little Rock, AR 72201-1904
1-501-371-2600
1-800-282-9134
Fax 1-501-371-2618

Mike Huckabee 97 NOV -3 PM 2:09 Mike Pickens
Governor Commissioner

Divisions

Administration
501-371-2620
501-371-2629 Fax

Accounting
501-371-2605

Consumer Services
501-371-2640
800-852-5494

Data Processing
501-371-2657

Finance
501-371-2665

Human Resources
501-371-2815

Legal
501-371-2820

License
501-371-2750

Life & Health
501-371-2800

Property & Casualty
501-371-2800

Risk Management
501-371-2690

Senior Insurance
Network
501-371-2782
800-852-5494

Insurance Fraud
Investigation
501-371-2790
501-371-2799 Fax

SECRETARY OF STATE
STATE OF ARKANSAS

Docket # 054.00.97-18

October 29, 1997 BY _____

TO: ALL LICENSED DOMESTIC, FOREIGN AND ALIEN INSURERS, ALL LICENSED HEALTH MAINTENANCE ORGANIZATIONS ("HMO'S"), ALL LICENSED HOSPITAL & MEDICAL SERVICE CORPORATIONS, ALL LICENSED FRATERNAL BENEFIT SOCIETIES, ALL LICENSED FARMERS MUTUAL AID ASSOCIATIONS, ALL REGISTERED RISK RETENTION AND PURCHASING GROUPS, ALL AGENT AND COMPANY TRADE ASSOCIATIONS, ALL APPROVED AGENT EDUCATION COURSE PROVIDERS AND OTHER INTERESTED PARTIES

FROM: ARKANSAS INSURANCE DEPARTMENT

SUBJECT: READOPTION OF RULE AND REGULATION 50, "AGENTS' CONTINUING EDUCATION", REVISED UNDER ACTS 774 AND 1004 OF 1997

NOTICE OF PUBLIC HEARING

Pursuant to Arkansas Code Annotated Section 25-15-203(2), 23-61-108, 23-64-304 as amended by Act 1004 of 1997, 23-73-121 as amended by Act 774 of 1997, 23-74-609, 23-75-102, 23-76-125, 23-94-215 (Supp. 1995), et seq., and Act 1004 of 1997, and other applicable laws, NOTICE is hereby given that a Public Hearing will be held on December 3, 1997 at 9:00 a.m. in the First Floor Hearing Room, Arkansas Insurance Department, at 1200 West Third Street (Third & Cross Streets), Little Rock, Arkansas.

1. The Public Hearing will be held to determine whether the Insurance Commissioner should readopt Revised Rule 50, "AGENTS CONTINUING EDUCATION", for conformity with the provisions of Act 774 of 1997 and Act 1004 of 1997. A copy of the proposed Revised Rule 50 is attached for your review.

2. All interested persons are encouraged to attend the Public Hearing and may appear and present (orally or in writing) statements, arguments or opinions on the proposed Rule.

3. Persons wishing to testify should notify the Legal Division as soon as possible; and are requested to submit intended statements in writing. Comments at the Public Hearing on the Proposed Rule, as well as written comments without testimony, are allowed and encouraged.

Please direct your inquiries to the Legal Division at (501) 371-2820 or Fax (501) 371-2629, or to Director Fred Stiffler, Agent License Division, at at (501) 371-2750.

Sincerely,

Jean Langford
Chief Counsel, Legal Division

Enclosure: Proposed Revised Rule 50

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SHARON PRIEST
STATE OF ARKANSAS

2. ~~Bail bondsmen~~ Adjusters and limited adjusters.
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 solicitors,~~ non-resident consultants or brokers.

- B. All persons requesting exemption from compliance 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, ~~and solicitors~~ during the calendar year in which the applicant first received an Arkansas license shall not be required to comply with continuing education requirements; until the first calendar year following licensure continuing education requirements shall be due on the licensee's birthday in the first annual period after first renewal of the license.

SECTION 5. EDUCATIONAL REQUIREMENTS

- A. Effective July 1, 1998, aAny licensed non-exempt persons shall, before each annual period on their birthday, during the two (2) year period of his or her license, complete those courses of instruction approved by the Commissioner and equivalent to the following:
1. A minimum of eight (8) ~~sixteen (16)~~ hours of instruction for a life and disability license or life or disability licenses.
 2. A minimum of eight (8) ~~sixteen (16)~~ hours of instruction for a property and/or casualty license.
 3. A minimum of ten (10) ~~twenty (20)~~ 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 educational requirements ~~and the number of classroom hours for which they are equivalent 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 taught by an accredited college or university.

1 certified to teach any part of any approved course. Each instructor must have
2 five (5) or more years of specific insurance experience and/or education in each
3 part of the insurance training program in which he instructs and must be
4 approved prior to teaching any course, or any part of a course, by the State
5 Insurance Commissioner. Applicants for approval as an instructor shall complete
6 and submit Appendix D to the License Division of the Arkansas Insurance
7 Department.

- 8
9 C. No person will be approved as an instructor who has received disciplinary action
10 by the Arkansas Insurance Department, the Insurance Department of another
11 state, or any similar regulatory body or court. The Commissioner shall have the
12 authority to waive this requirement.

13 SECTION 8. PROGRAM REVIEW

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15 ~~Members of the Insurance Advisory Examining Board as provided in Ark. Code Ann. Section 23-~~
16 ~~64-201 and/or Representatives of the Insurance Commissioner Department shall have the~~
17 ~~authority to visit a course or program and review its offering at any time including, but not limited~~
18 ~~to, curriculum records and attendance records.~~

20 SECTION 9. FEES AND COMPLIANCE

- 21
22 A. Every person subject to this Regulation shall furnish, in a form satisfactory to the
23 Commissioner, written certification as to the courses, programs and seminars of
24 instruction taken and successfully completed by such person. Such certification
25 shall be executed by or on behalf of the course provider and ~~may~~ shall be in the
26 form prescribed in Appendix E. Each licensee or the approved course provider
27 may make the filing for the licensee to the Commissioner or his designee. The
28 Commissioner may require vendors to submit the agent's Certificate of
29 Completion of Continuing Education hours on an electronic media to the
30 Department, and may require the vendor to submit information to an outside
31 vendor or other parties contracting with the Commissioner to maintain and
32 update insurance licensees' continuing education data.
33 B. Every person subject to this Rule and Regulation and who furnishes to the
34 Commissioner or Vendor of the Commissioner, written certification as to the
35 courses or programs of instruction taken and successfully completed shall tender
36 a filing fee as directed by the Commissioner or Vendor of the Commissioner
37 under his approval. With each certification submitted during the two (2) year
38 period to which the continuing education hours apply. The amount of the filing
39 fee shall be ten dollars (\$10.00).
40 C. Excess classroom hours accumulated during any annual two (2) year period may
41 be carried forward only to the next annual period. ~~These persons wishing to~~
42 ~~carry forward excess hours shall file a certification of these hours with the~~
43 ~~Commissioner within sixty (60) days of the beginning of the two (2) year period in~~
44 ~~which the excess hours are to be carried over.~~
45 D. For good cause shown, the Commissioner may grant an extension of time during
46 which the requirements may be completed, ~~but such extension of time shall not~~
47 ~~exceed the period of one (1) year.~~

49 SECTION 10. PENALTIES

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 DATE OF COURSE PROVIDER NUMBER
 (ATTACH APPENDIX B)

LOCATION _____ CITY _____

INSTRUCTOR _____ TELEPHONE _____

QUALIFICATIONS OF INSTRUCTOR, INCLUDE RESUME (APPENDIX D FORM)

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 MUST BOTH BE SUBMITTED TO THE ARKANSAS INSURANCE DEPARTMENT, 1200 West Third Street, 400 University Tower Bldg., Little Rock, Arkansas 72204-1904. or as directed by the Commissioner.

APPENDIX C

To: ARKANSAS INSURANCE DEPARTMENT
Licensing Division
400 University Tower Building 1200 West Third Street
12th and University
Little Rock, Arkansas 72204-1904

(SUBMIT IN DUPLICATE)

CHANGE IN CURRICULUM OR INSTRUCTOR

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

Typed Name of Training Facility Official

Signature of Training Facility Official

Date

FOR DEPARTMENT USE ONLY

APPROVED BY: _____ DATE: _____

DISAPPROVED BY: _____ DATE: _____

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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.

Name of Applicant

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

Notary Public

My Commission expires

FOR DEPARTMENT USE ONLY

APPROVED BY: _____ DATE: _____

DISAPPROVED BY: _____ DATE: _____

APPENDIX F

TO: ARKANSAS INSURANCE DEPARTMENT
Licensing Division
400 University Tower Building 1200 West Third Street
Little Rock, AR 72204-72201-1904

REQUEST FOR EXEMPTION

Under Arkansas Code Section 23-64-301, et seq., 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 or consultant for a period of fifteen (15) consecutive years. Beginning Date _____

~~Have held a license as an agent for disability insurance for a period of fifteen (15) consecutive years. Beginning Date _____~~

~~Have held a license as agent, solicitor, consultant or broker for property, casualty, surety and marine for fifteen (15) consecutive years. Beginning Date _____~~

~~Hold only limited line licenses for which an examination is not required.~~

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

Agent 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 _____