

DEPARTMENT OF INSURANCE

Agents Bulletin No. 13, Continuing Education Changes Under Amended Regulation 504

Issued November 16, 2004

GENERAL NOTICE

Introduction

Amended Regulation 504 Continuing Education became effective on November 15, 2004. The purposes for amending the regulation were to establish additional requirements for insurance education and to continue to ensure a high level of professionalism for the benefit of Delaware consumers. The Regulation, while taking effect immediately, will apply to Continuing Education compliance filings due February 28, 2006 and thereafter.

Significant Changes Required by Amended Regulation 504

Section 8.2.1 provides that resident licensees required to fulfill continuing education requirements shall complete twenty-four (24) credit hours of Department approved education subjects, four (4) of which shall be in ethics subjects during each biennium reporting period. If the resident producer holds a health license and solicits long term care policies, as part of his/her biennial requirement, the producer must complete at least three (3) hours of training in Delaware long term care insurance that consists of product knowledge, laws, rules and regulations. The long term care continuing education requirement does not need to be met prior to solicitation of the product. The requirement must be met during the biennium that the long term care policy was solicited.

Section 8.2.2 provides that resident adjusters, public adjusters and fraternal producers shall be required to fulfill twelve (12) credit hours of Department approved education subjects, four (4) of which shall be in ethics subjects during each biennium reporting period. The maximum number of carryover credits remains at five (5) credits in a biennium reporting period. The carryover credits shall not apply to the ethics credit requirement.

Section 8.3 provides for automatic credit under circumstances that may be revised by bulletin from time to time. This bulletin sets forth the automatic credit exemptions through February 28, 2006. Under Section 8.3, an individual continuously licensed for twenty-five (25) years or longer prior to the start of a biennium reporting period or who holds a professional designation shall receive an automatic credit of twelve (12) credits in each biennium.

The following license types are exempt from completing the Continuing Education requirement:

- Limited Lines Producers writing consumer credit as defined in 18 **Del.C.** §1702(k), title, crop/hail, surety and car rental insurance
- Resident adjusters licensed **solely** for surety and/or marine and transportation
- Non-resident adjusters and non-resident public adjusters
- Limited lines producers licensed under 18 **Del.C.** §1707(b)(2) for life insurance or annuity products used **solely** to fund a pre-need arranged funeral program

Licensed producers with the following designations shall receive credit as provided for in Section 8.3 of Regulation 504:

- AAI
- CEBS
- ChFC
- CFP
- CFP
- CIC
- CLU
- CPCU
- FLMI
- FSPA
- RHU

FAQs and Contact Information

Amended Regulation 504 will be posted on the Delaware Department of Insurance's website, along with a list of FAQ's, on November 15, 2004. The Department's website address is: www.state.de.us/inscom/licensing.htm. Questions related to the applicability and enforcement of Regulation 504 can be submitted to:

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