

CHAPTER 11
CONTINUING EDUCATION FOR
INSURANCE PRODUCERS
[Prior to 10/22/86, Insurance Department[510]]

191—11.1(505,522B) Statutory authority—purpose—applicability.

11.1(1) These rules are adopted pursuant to the general rule-making authority of the insurance commissioner in Iowa Code chapters 505 and 522B to establish continuing education requirements for resident and nonresident insurance producers.

11.1(2) The purpose of these rules is to establish requirements by prescribing:

- a. The minimum number of continuing education credits that an insurance producer must complete;
- b. The procedure and standards that the division will utilize in the approval of continuing education providers and courses;
- c. The procedure for establishing that the required continuing education has been completed; and
- d. Enforcement criteria and guidelines.

11.1(3) These rules do not apply to:

- a. A nonresident producer who resides in a state or district having a continuing education (CE) requirement for insurance producers.
- b. A resident producer who holds qualification 5 (surety), 18 (credit life, accident and health insurance), or 4 (crop insurance).
- c. Licensed attorneys who are also producers who submit proof of completion of continuing legal education for the appropriate calendar years during the CE term, pay the continuing education fee set forth in subrule 11.14(1) and otherwise comply with the producer license renewal procedures set forth in 191—Chapter 10.
- d. A producer who serves full-time in the armed forces of the United States of America on active duty during a substantial part of the CE term and who submits evidence of such service.

191—11.2(505,522B) Definitions.

“Approved subject” or *“approved course”* means any educational presentation which has been approved by the division.

“Attendance record” means a record on which a CE provider requires attendees of a CE course to sign in at the time of entrance to the course.

“CE” means continuing education as defined in Iowa Code chapter 522B.

“CE provider” means any individual or entity that is approved to offer continuing education courses in Iowa.

“CE term” means the three-year-one-month period beginning the first day of the producer’s birth month and ending on the last day of the producer’s birth month in the renewal year.

“Credit” means continuing education credit. One credit is 50 minutes of instruction or reading material in an acceptable topic.

“License” means the division’s authorization for a person to act as an insurance producer for the authorized lines of insurance.

“National Insurance Producer Registry” or *“NIPR”* means the nonprofit affiliate of the National Association of Insurance Commissioners (NAIC). Its Web site is www.licenseregistry.com.

“NIPR Gateway” means the communication network developed and operated by NIPR that links state insurance regulators with the entities they regulate to facilitate the electronic exchange of producer information regarding license applications, license renewals, appointments and terminations.

“Proctored” or *“independently proctored”* means the supervision by a CE provider or licensed producer over the conduct of a producer while that producer is completing an examination that is part of a self-study CE course.

“Producer” means a person required to obtain an insurance license under Iowa Code section 522.B1.

“*Renewal year*” means the third year following the issuance or last renewal of an insurance producer license.

“*Resident*” means a person residing permanently in Iowa.

“*Roster*” means a listing of all licensed attendees at an approved course and includes the Iowa course number, the National Insurance Producer Registry (NIPR) National Producer Number (NPN), the date the course was completed, and the actual number of credits earned by each producer.

“*Self-study course*” means an educational program that consists of a self-study manual and comprehensive examination. A self-study course may be an on-line course.

191—11.3(505,522B) Continuing education requirements for producers.

11.3(1) Every licensed resident producer must complete a minimum of 36 credits for each CE term in courses approved by the division. Three of these credits must be in the subject of ethics. By the end of the last business day of the producer’s CE term, the division must receive from the producer proof of completion of CE courses and payment of the CE fee.

11.3(2) An instructor of an approved subject is entitled to the same credit as a student completing that subject and may receive such credit once during a CE term.

11.3(3) A producer cannot carry over CE credits earned in excess of the producer’s CE term requirements from one CE term to the next.

11.3(4) A producer may receive CE credit for self-study courses. A self-study course is considered completed when the examination is received by the CE provider.

a. A producer may receive CE credit for self-study courses that are part of a recognized national designation program as described in subrule 11.5(5).

b. A producer may receive up to 18 CE credits for self-study courses during a CE term that do not meet the definition of paragraph “*a*” if the producer:

(1) Submits an affidavit to the CE provider stating that the examination was independently proctored and was completed without any outside assistance, and

(2) Correctly answers at least 70 percent of the questions presented.

11.3(5) A producer may not receive CE credit for courses taken prior to the issuance of an initial license.

11.3(6) A producer cannot receive CE credit for the same course twice in one CE term. A producer cannot receive CE credit both for the classroom portion and for the examination portion of a national designation program as defined in subrule 11.5(5).

11.3(7) A producer may elect to comply with the CE requirements by taking and passing the appropriate licensing examination for each qualification held by the producer.

a. A producer who holds property and casualty lines of authority (authority numbers 21 and 22) must successfully complete the commercial insurance subject examination.

b. A producer who holds an excess and surplus line of authority must successfully complete the examination for the excess and surplus line of authority (authority number 20) and the commercial insurance subject examination.

11.3(8) Producers may determine how many CE credits they have in the division’s records through the division’s Web site: www.iid.state.ia.us.

191—11.4(505,522B) Proof of completion of continuing education requirements.

11.4(1) Producers are required to demonstrate compliance with the CE requirements at the time of license renewal. Procedures for completing the license renewal process are outlined in 191—Chapter 10.

11.4(2) Producers are required to maintain a record of all CE courses completed by keeping the original certificates of completion for four years after the end of the year of attendance.

11.4(3) Waiver or extension. Rescinded IAB 10/25/06, effective 11/29/06.

191—11.5(505,522B) Course approval.

11.5(1) To qualify for approval a course must be designed to expand technical insurance skills and knowledge obtained prior to initial licensure or to develop new and relevant skills and knowledge.

11.5(2) Any approved active CE provider shall submit a request for approval of any course, program of study, or subject for continuing education credit to the division on an NAIC uniform form. If an outside vendor is retained by the division for course reviews, requests for approval shall be filed directly with the vendor.

11.5(3) Requests for course approval which do not include all required information will be returned as incomplete.

11.5(4) Except as provided in subrule 11.5(5), requests for approval shall be submitted at least 30 days prior to the beginning of the course. A request for renewal of a previously approved course shall be submitted at least 30 days prior to the end of the 24-month approval period. Requests received later may be disapproved.

11.5(5) A request for approval of any self-study course that is part of a recognized national designation program may be filed within 60 days after the course is completed. This course will be reviewed and may be approved for up to the number of credits awarded for passage of the national examination in topics that are otherwise approvable under these rules. This subrule applies only to national designation programs such as AAI, ARM, CIC, CEBS, ChFC, CFP, CLU, CPCU, FLMI, LUTCF, RHU and similar courses as determined by the division.

11.5(6) An insurance producer who attends a classroom course offered by a college, university or governmental agency that has not been approved by the division may make application for approval of the course for CE credit. The application must be filed within 60 days of attendance at the course and must contain sufficient materials to allow for a thorough evaluation of the course content and instructor qualifications. To be eligible for CE credit, the course must meet all division guidelines for course approval. All course review fees must be paid by the producer.

11.5(7) A CE course must be offered for a minimum of one credit. Fractional credits will not be awarded. The total credit which may be awarded for a CE course is limited to 36 credits, except that credit for a self-study course as defined in 11.3(4) "b" shall be limited to 18 CE credits.

11.5(8) Notification will be sent to the CE provider indicating approval or disapproval. Approved courses will be assigned a course number.

11.5(9) The division may deem the approval of a CE course by another state's insurance division as adequate evidence that a course is eligible for approval in Iowa and may award the same number of credits for the course awarded by the other state. The CE provider must submit the NAIC uniform form demonstrating the other state's approval of the CE course.

11.5(10) Within 30 days of course approval, CE providers shall inform the division or its vendor, as directed by the division, of the dates and locations that the course will be offered. Failure to timely file the dates and locations will subject the CE provider to penalty and suspension or rescission of course approval.

11.5(11) CE courses approved by the division may be offered for a 24-month period following the date of approval.

191—11.6(505,522B) Topic guidelines.

11.6(1) The following course topics are examples of subjects that will qualify for approval:

1. Rating;
2. Tax laws (specifically related to insurance);
3. Policy contents;
4. Proper uses of products;
5. Ethics;
6. Risk management;
7. Iowa insurance laws and administrative rules;
8. Technical information related to the insurance license;
9. Errors and omissions;

10. Estate planning/taxation;
11. Wills and trusts; and
12. Financial planning.

11.6(2) The following course topics are examples of subjects that will not qualify for approval:

1. Sales;
2. Motivation;
3. Prospecting;
4. Psychology;
5. Communication skills;
6. Prelicense training;
7. Supportive office skills (e.g., typing, filing, computers);
8. Personnel management;
9. Recruiting; and
10. Other subjects not related to the insurance license.

191—11.7(505,522B) CE course renewal. Prior to expiration of the 24-month approval period, a CE provider must apply for renewal of each course with the division or its outside vendor. If a CE provider makes a substantial change to the content of a previously approved course, that course will not be eligible for renewal and must be submitted for a complete review.

191—11.8(505,522B) Appeals. A CE provider may appeal the amount of CE credit awarded by the division for a course. An appeal must be made in writing to the division within 30 days of the receipt by the CE provider of the notice of CE credit awarded for the course. If the division retains an outside vendor for course reviews, a CE provider must first complete an appeal process with the vendor before filing an appeal with the division.

191—11.9(505,522B) CE provider approval.

11.9(1) Any school, insurer, industry association or other organization intending to provide a course, program of study, or subject for continuing education credit must submit an application on a form or in a format prescribed by the division to become an approved CE provider.

11.9(2) To qualify for approval, a CE provider must demonstrate financial and organizational stability and must agree to comply with the administrative and regulatory constraints set forth by the division.

11.9(3) CE provider approval is valid for 24 months.

11.9(4) A CE provider must complete the renewal process to be eligible to continue serving as a CE provider. Failure to complete the renewal process will result in the expiration of the CE provider's approval and all previously approved courses.

11.9(5) If an outside vendor is retained by the division for CE provider reviews, requests for approval will be filed directly with the vendor.

191—11.10(505,522B) CE provider's responsibilities.

11.10(1) A CE provider must ensure that each classroom course is conducted by a qualified and competent instructor.

11.10(2) A CE provider shall obtain and maintain an attendance record for each course for at least four years from the end of the year in which the course is offered. Upon request by the division, a CE provider must submit copies of attendance records.

11.10(3) A CE provider of an approved course is responsible for both the attendance of the students and their attention. A CE provider must refuse to award CE credit for time periods when the student was absent.

11.10(4) A CE provider must verify that each examination submitted for a self-study course contains an affidavit following the NAIC CE guidelines from the producer that the examination was independently proctored and that the examination was completed without any outside assistance. A CE provider must

refuse to award CE credit to producers who fail to submit a properly completed examination or who fail to correctly answer at least 70 percent of the questions on the examination.

11.10(5) Upon request by the division, a CE provider shall videotape a course and such recording shall be promptly submitted to the division.

11.10(6) Upon request by the division, a CE provider must provide a copy of all course materials.

11.10(7) If an approved course is canceled, a CE provider must notify the division, or its outside vendor, and registrants at least 48 hours prior to the course date.

11.10(8) CE providers must submit rosters of all course attendees to the division. These reports must be received at the division by the tenth day of the month following the month in which the course is completed. Rosters shall be submitted electronically in a manner prescribed by the division.

11.10(9) Once a course is completed, the CE provider shall issue a certificate of completion to each person who satisfactorily completes a course. The certificate must be issued within 20 days of course completion and must be signed by either the course instructor or the CE provider's authorized representative. The certificate of completion used by the CE provider must be in a form or format prescribed by the division.

11.10(10) CE providers must report to the division any disciplinary action taken against that CE provider by another state licensing authority.

191—11.11(505,522B) Prohibited conduct—CE providers.

11.11(1) CE providers shall not:

- a. Advertise, prior to approval, that a course is approved;
- b. Prepare and distribute certificates of completion before the course has been conducted;
- c. Issue inaccurate or incomplete certificates of completion;
- d. Refuse to issue certificates of completion to any participant who satisfactorily completes an approved course, except when subrule 11.10(3) or subrule 11.10(4) applies.

11.11(2) The division may revoke the approval of a continuing education provider or may discipline a continuing education provider, upon a finding that the CE provider:

- a. Committed any one or more of the actions prohibited in subrule 11.11(1);
- b. Failed to perform any duties required by these rules; or
- c. Committed any other action inconsistent with these rules.

11.11(3) If the division finds that a CE provider has violated Iowa laws or these rules, the division shall give written notification to the CE provider of the alleged improper conduct and any discipline or sanction imposed. The CE provider may make a written request for a hearing within 30 days of receipt of the notice. The hearing shall be held within 30 days of the division's receipt of the written demand by the CE provider unless the parties agree to a later hearing date. The hearing shall be conducted pursuant to 191—Chapter 3.

11.11(4) A fine may be imposed against a CE provider if the commissioner finds, after hearing, that the CE provider knew or should have known that it was in violation of this chapter. The division may take any one or more of the following actions upon a finding of a violation of this rule:

- a. Require the CE provider to pay a fine not to exceed \$1,000 per violation;
- b. Require the CE provider to refund the course admission fee to all participants;
- c. Require the CE provider to provide a suitable course to replace the course that was found in violation;
- d. Withdraw the approval of courses sponsored by such CE provider; or
- e. Take other disciplinary action permitted by statute.

191—11.12(505,522B) Outside vendor. The division may enter into a contractual arrangement with a qualified outside vendor to assist the division with any or all continuing education services. Fees charged by the outside vendor will be subject to division approval and will be paid by the CE provider. Course approval fees are nonrefundable.

191—11.13(505,522B) CE course audits. The division may audit any CE course. The cost of the audit will be charged to the CE provider. Any discrepancies between the materials submitted for approval to the division and the content found at the audit, or any evidence of noncompliance with these rules, may subject the CE provider or instructor to administrative sanctions, including imposition of fines. Governmental bodies, such as community colleges and universities, shall not be charged for the cost of an audit.

191—11.14(505,522B) Fees and costs.

11.14(1) The fees for approval and renewal of CE providers, CE courses and registration of instructors shall be set by the outside vendor retained by the division and are subject to approval by the division.

11.14(2) The division may charge a fee for other services.

These rules are intended to implement Iowa Code chapters 505 and 522B.

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