HEARING

IN THE MATTER OF
PROPOSED AMENDED RULE 50
"CONTINUING
EDUCATION FOR PRODUCERS
AND ADJUSTERS"

November 10, 2015

10:00 A.M.

**HONORABLE RUSS GALBRAITH, CHIEF DEPUTY
COMMISSIONER & HEARING OFFICER**

ORIGINAL

BEFORE THE ARKANSAS DEPARTMENT OF INSURANCE

In the Matter of Proposed Amended Rule 50)
"Continuing Education for Producers and Adjusters")

* *

HEARING BEFORE HONORABLE RUSS GALBRAITH,

CHIEF DEPUTY COMMISSIONER AND HEARING OFFICER

HELD IN LITTLE ROCK, ARKANSAS

ON NOVEMBER 10, 2015

* *

APPEARANCES:

On Behalf of the Arkansas Department of Insurance:
GRAY TURNER, Esquire
Legal Counsel
Arkansas Insurance Department
1200 West Third Street
Little Rock, Arkansas 72201-1904

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ARKANSAS INSURANCE DEPT.

BONNIE PARKER, CCR
5100 VELVET RIDGE, SUITE 11
NORTH LITTLE ROCK, AR 72116
(501) 554-0558

Taken on behalf of the Department on the 10th day of November, 2015 at the Arkansas Insurance Department, 1200 West Third Street, Little Rock, Arkansas pursuant to Arkansas Code Ann. §23-61-303.

* * * * * * * * * * * * * * *

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1 HEARING OFFICER: Good morning, everybody.
2 Today is November 10, 2015, and we're here in the matter of
3 Proposed Amended Rule 50, "Continuing Education for
4 Producers and Adjusters."
5 My name is Russ Galbraith, Chief Deputy Insurance
6 Commissioner for the Insurance Department, and Commissioner
7 Kerr has appointed me to be the Hearing Officer in this matter.
8 Present and representing the Department is Mr. Gray
9 Turner.
10 Mr. Turner, you may proceed.
11 MR. TURNER: Thank you, Mr. Hearing Officer.
12 Today we're presenting our Proposed Rule 50. This is an
13 amendment of the current Rule 50, and we're going to be asking
14 that you accept these amendments to the rule.
15 I have 17 exhibits I'd like to present this morning, and I'm
16 going to go through those one by one, and when I'm done, I'll ask
17 that those be admitted into the record.
18 Number One obviously is the Designation of the Hearing
19 Officer designating you to be the Hearing Officer today.
20 Number Two is our Notice of Public Hearing, and that's
21 where we're required to give public notice about this rule so it
22 would have the time and date for today's hearing.
23 Number Three is a copy of this rule that we filed with the
24 Bureau of Legislative Research and the Arkansas Legislative
25 Council.

1 Number Four is our Legal Notice where we sent to the
2 Arkansas Gazette what we wanted to have run in the Gazette, and
3 it's just proof that we sent it.
4 Number Five is a copy of where we actually run in the
5 Gazette, and it's a copy of the advertising, and then it shows it
6 was run for three days in the paper, on October 3, on October 4
7 and October 5, and it's just proof that that was done.
8 Number Six is where we did a eBlast and we sent it through
9 email communication out to various insurance providers just to
10 indicate today -- the hearing -- that we had a hearing, what the
11 subject matter was.
12 Number Seven is a -- just proof of a letter to Donna Davis
13 who's with the Arkansas Legislative Council and the Bureau of
14 Legislative Research giving her a copy of this bill so they could
15 have it before them.
16 Number Eight -- That was Number Seven, right? -- Number
17 Eight is the actual forms that we sent to the Bureau of Legislative
18 Research. It's what they call a Questionnaire, just some basic
19 questions about the rule and the effects the rule would have.
20 Number Nine is a companion to that. It's the Economic
21 Impact discussing possible economic impact the rule might have.
22 Number Ten is a Summary of the rule, and I'll kind of read
23 over this Summary. This is also in the packet that goes to the
24 BLR, and the summary of this rule is that this rule is basically
25 just expanding what is allowed for -- to be considered distant

1 learning education, and it -- so that you can have more than just
2 correspondence courses or in person. And it says for any
3 distant learning that you'll have to have video imagery,
4 interactivity, written materials, that attendance will have to be
5 verified, and some kind of technology help line if people are
6 having problems.
7 There will have to be a verification that people did attend,
8 and then there will be forms available that the providers will
9 have to submit to show that people did participate, and that way
10 they can get credit for their distance learning courses. And so
11 some of the changes we made were to allow this to be done from
12 -- at a distance and not just correspondence.
13 We also clarified in the rule -- this is not a new rule or a new
14 fee -- but we also made clear that there is a $100 continuing
15 education provider fee for the providers, so, but that's -- that
16 was already in Rule 57, I believe, and so we're just making it
17 redundant and putting it here so people can easily see it.
18 We put some courtesy notice letters out, so we sent letters
19 to the Attorney General through Deputy Attorney General
20 Edward Armstrong in the Civil Division. We sent a copy to the
21 Arkansas Secretary of State with a copy of the rule so that people
22 could see it at the Secretary of State's office.
23 That's Number -- the Armstrong letter was Number Eleven.
24 Number Twelve is Secretary of State.
25 Number Thirteen is a courtesy letter where we sent it to Pat

1 Brown with the Economic Development Commission, just -- we
2 sent it to them in case they have -- they want to have any
3 comment.
4 And in Fourteen we had some room for public comments.
5 We did get an email, some email comments from a Cindy
6 Davidson who just had some concerns about the actual form --
7 the forms themselves, things that they wanted changed. She
8 was with Exam Effects who helps administer the exams, so that
9 was Fifteen.
10 Then --
11 No, I'm sorry, that was Fourteen.
12 On Fifteen, we have Fifteen-a is the markup, and this is the
13 markup we did before filing. Then after we filed it with the
14 Secretary of State and the BLR, we did some post edits, just some
15 minor changes to reflect the public comments.
16 Number Sixteen where we sent a copy of this rule to Justin
17 Tate, who is with the Governor's Office. The Governor's Office
18 did vet this and did approve this Rule change. And so that's
19 Number Sixteen.
20 And then we had a hearing back on September 30 in which
21 we went over these exhibits previously and -- but we had some
22 discrepancies on where we'd put on our calendar a different
23 time, so we just went ahead and republished for today. So this
24 is actually an extension of that previous September 30 hearing,
25 and so I just took the transcript and I made the transcript of the

1 previous hearing as an addendum in case anyone in the future
2 wanted to review this, and that's Number Seventeen.
3 So, Mr. Hearing, Officer, at this time I'd ask that Numbers
4 One through Seventeen be admitted into the record.
5 HEARING OFFICER: Okay. Without objection,
6 Exhibits One through Seventeen will be admitted into the record.
7 All right. Please proceed.
8 MR. TURNER: So basically the Rule, like we said,
9 was -- this is just to expand how you can do continuing
10 education, and that -- and so that you can do it from a different
11 location via your computer if you want. And that way, we'll
12 hopefully get some -- make it easier on people to do their
13 continuing education, and that's really what we're doing here in
14 this rule.
15 And I think -- I think that's the end of my presentation.
16 HEARING OFFICER: Okay. Are there any public
17 comments, anybody from the public who would like to speak?
18 (No response)
19 HEARING OFFICER: Quick question. Can you just
20 tell me the reasoning behind the -- this particular hearing versus
21 the one from September, what was the reason for --
22 MR. TURNER: The -- so on our -- we -- The
23 newspaper was published correctly, but that day we had two
24 hearings, and we had put on our calendar, public calendar, that
25 this would be at a different time, and we were concerned that if

1 someone had showed up that they would have been here at the
2 wrong time and not been available to make public comment, so
3 we just wanted to make sure that all our times were correct.
4 HEARING OFFICER: Okay.
5 MR. TURNER: And so we corrected that. We
6 republished and made sure that we had everything right as far as
7 the public being able to know what time this hearing was, and
8 that was the only reason to redo it.
9 HEARING OFFICER: Okay. So there's no need to
10 keep the record open or anything like that? We didn't receive
11 any public comments between the last hearing and this hearing?
12 MR. TURNER: We haven't got any new comments on
13 this rule, no. We can keep it open just until, say, Friday 'cause
14 -- in the event that somebody does.
15 HEARING OFFICER: I don't really see a reason to.
16 MR. TURNER: Then we can close it today.
17 HEARING OFFICER: Okay.
18 All right. If there's nothing else, then the record is closed.
19 Thank you, and this hearing is adjourned.
20
21 (Whereupon, the aforementioned proceedings were
22 concluded at 10:10 a.m.
23
24
25

CERTIFICATE

STATE OF ARKANSAS)
COUNTY OF PULASKI)

I, Bonnie Parker, CCR and Certified Stenomask Reporter before whom the foregoing testimony was taken, do hereby certify that the witness was duly sworn by me; that the testimony of said witness was taken by me and was thereafter reduced to typewritten form under my supervision; that the transcript is a true and correct record of the testimony given by said witness; that I am neither counsel for, related to, nor employed by the parties to the action in which this proceeding was taken, and further, that I am not a relative or employee of any attorney or counsel employed by the parties hereto, nor financially interested in the outcome of this action.

I further certify that I have no contract with any parties within this action that affects or has a substantial tendency to affect impartiality, that requires me to relinquish control of an original deposition transcript or copies of the transcript before it is certified and delivered to the custodial attorney, or that requires me to provide any service not made available to all parties in the action.

I further certify that review of the transcript was not requested.

WITNESS MY HAND this 23rd day of November, 2015.

STATE OF ARKANSAS
BONNIE PARKER
CERTIFIED COURT REPORTER

BONNIE PARKER
Arkansas State Supreme Court
Certified Court Reporter #685

SIGN IN SHEET
PROPOSED AMENDED RULE 50
"Continuing Education for Producers and Adjusters"

Russ Galbraith, Deputy Commissioner and Hearing Officer
November 10, 2015 at 10:00 a.m.

Name	Address	Phone
Cary Ross	Workers' Comp	682-2064
Margie Farmer	AID	AID
Barbara Gordon	Lic.	
Brandy Wedstead	Legal	AID

EXHIBIT LIST

DATE: November 10, 2015

SUBJECT: Proposed Amended Rule 50
"Continuing Education for Producers and Adjusters"

HEARING OFFICER: Russ Galbraith
Chief Deputy Commissioner

Exhibit No.	Description
1.	Designation of Hearing Officer
2.	Notice of Public Hearing
3.	Initially Filed Proposed Rule
4.	Copy of Letter to Arkansas Democrat-Gazette requesting Newspaper notice
5.	Copy of Statement of Legal Advertising and Ad Copy by Arkansas Democrat-Gazette
6.	Copy of electronic mail distribution of Notice of Public Hearing to interested persons
7.	Copy of Bureau of Legislative Research Cover Letter
8.	Copy of Legislative Council Questionnaire
9.	Copy of Economic Impact Statement
10.	Rule Summary for Bureau of Legislative Research
11.	Courtesy Notice to Attorney General's office
12.	Copy of Arkansas Insurance Department's letter filing proposed Rule with Secretary of State
13.	Courtesy Notice to Economic Development Commission

14. Public Comments Section (Open Folder)

15a. Proposed Arkansas Insurance Department Mark-Up Pre-Filing

15b. Proposed Arkansas Insurance Department Post-Filing Edits

16. Courtesy Notice to Office of the Governor

17. September 30, 2015 Hearing Transcript

Arkansas Insurance Department

Asa Hutchinson
Governor

Allen Kerr
Commissioner

DESIGNATION OF HEARING OFFICER

DATE: November 10, 2015

SUBJECT: PROPOSED AMENDED RULE 50

HEARING OFFICER: Russ Galbraith
CHIEF DEPUTY COMMISSIONER

Pursuant to Arkansas Code Annotated § 23-61-103(e)(1), I hereby delegate Russ Galbraith, Chief Deputy Commissioner, to serve as the Hearing Officer in the above-referenced matter. Pursuant to this Designation, Mr. Galbraith will have at his disposal all of the powers and duties vested in the office of the Commissioner of Insurance for the State of Arkansas.

ALLEN KERR
INSURANCE COMMISSIONER
STATE OF ARKANSAS

Nov. 6th, 2015
Date

EXHIBIT
1

1200 West Third Street, Little Rock, AR 72201-1904 · (501) 371-2600 · (501) 371-2618 fax · www.insurance.arkansas.gov
Information (800) 282-9134 · Consumer Services (800) 852-5494 · Seniors (800) 224-6330 · Criminal Inv. (866) 660-0888

Arkansas Insurance Department

Asa Hutchinson
Governor

Allen Kerr
Commissioner

DATE: SEPTEMBER 30, 2015

TO: AUTHORIZED INSURANCE COMPANIES, HMO'S, HOSPITAL/MEDICAL SERVICE CORPORATIONS, FARMERS' MUTUAL AID ASSOCIATIONS AND INSURER AND AGENT TRADE ASSOCIATIONS

FROM: ARKANSAS INSURANCE DEPARTMENT

SUBJECT: RULE 50, "CONTINUING EDUCATION FOR PRODUCERS AND ADJUSTERS"

NOTICE OF PUBLIC HEARING

Please find attached or available by electronic publication by the Arkansas Insurance Department ("Department") Proposed Amended Rule 50, "Continuing Education for Producers and Adjusters." The Arkansas Insurance Commissioner ("Commissioner") is proposing to permit continuing education by distance learning, provide additional continuing education for a licensee who teaches a continuing education course, and instruct course providers to submit required forms electronically.

Pursuant to Arkansas Code Annotated §§ 23-61-108(a)(1), 23-61-108(b)(1), 23-76-108(a), and 25-15-204, and other applicable laws or rules, NOTICE is hereby given that a PUBLIC HEARING will be held on **November 10, 2015, at 10:00 A.M.**, in the First Floor Hearing Room, Arkansas Insurance Department ("Department"), 1200 West Third Street, Little Rock, Arkansas. The purpose of the Public Hearing will be to determine whether the Commissioner should adopt Proposed Amended Rule 50.

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. All licensees and other interested persons are responsible for notifying all their personnel, agents, and employees about this Public Hearing. Persons wishing to testify should notify the Legal Division as soon as possible, and are requested to submit intended statements in writing in advance. A copy of Proposed Amended Rule 50 can be obtained or viewed on the Legal Division's Internet Web Site at http://www.insurance.arkansas.gov/legal.htm.

Please direct your inquiries to the Legal Division at (501) 371-2820 or insurance.legal@arkansas.gov.

Sincerely,

Booth Rand
Managing Attorney

BR/lrr

EXHIBIT
2

RULE 50
CONTINUING EDUCATION FOR PRODUCERS AND ADJUSTERS

SECTIONS

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

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APPENDICES

APPENDIX A-1	Course Application for Continuing Education
APPENDIX A-2	Adjuster Continuing Education Course Approval Form
APPENDIX A-3	Annuity Suitability Training Course Approval Form
APPENDIX B	Course Valuation
APPENDIX C	Change in Curriculum or Instructor
APPENDIX D	Application for Approval as Instructor
APPENDIX E	Individual Certificate of Completion (no longer mandated)
APPENDIX F	Request for Exemption
APPENDIX G	Affidavit of Proctor
APPENDIX H	Continuing Education Providers Reporting Roster

SECTION 1. PURPOSE

The purpose of Rule 50 is to establish requirements and standards for continuing education for natural persons licensed as insurance producers ("producers") and adjusters by the Arkansas Insurance Commissioner (the "Commissioner").

SECTION 2. AUTHORITY

This Rule is issued under the authority vested in the Commissioner by Ark. Code Ann. § 23-61-108, and the Arkansas Administrative Procedure Act, codified at Ark. Code Ann. §§ 25-15-201, et seq., and Ark. Code Ann. § 23-64-304(a), as amended by Act 1203 of 2003 and Act 1697 of 2005.

SECTION 3 EXEMPTIONS

A. This Rule shall not apply to the following individuals:

EXHIBIT
3

1. Individuals holding licenses for which an examination is not required;
2. Company employed adjusters and limited adjusters as defined in Rule and Regulation 68;
3. Any limited or restricted license the Commissioner may exempt;
4. Any individual, licensed as a resident producer prior to July 1, 2003, who is at least sixty (60) years of age;
5. Any individual, licensed as a resident producer prior to July 1, 2003, who has held a license as a producer, insurance 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 producers, non-resident consultants, and/or non-resident adjusters, unless the home state or designated home state does not have any comparable continuing education requirements;
8. Licensed insurance consultants;
9. Any producer or adjuster called to active duty in any branch of the United States military services including, but not limited to, the United States Coast Guard and Reserves, during the entire period of active duty service;
10. The exceptions contained in Subsections (A)(4) and (5) of this Section are no longer applicable to insurance producers who became resident licensees after July 1, 2003, or insurance producers who have let their Arkansas producer license lapse and have become re-licensed, or to title insurance agents; and
11. Individuals (or an appointed guardian or person with an appropriately worded power of attorney) with grave or debilitating illnesses or injuries may request an extension for no more than twelve (12) months, for completion of the CE hours required for a particular licensing renewal period. The request must be accompanied by a written doctor's statement confirming the medical history and a medical estimate as to how long the individual will be unable to function normally enough to complete the rule requirements. The request from the producer must include his/her mail or electronic mail note that he/she is voluntarily waiving the private or confidential nature of the illness or injury in order to qualify for this extension. With similar documentation, including a signed note from the attending physician and a privacy waiver from and signed by the patient, producers (or the relative's appointed guardian or person with an appropriately worded power of attorney) may also file for an extension due to the terminal or debilitating illness of a grandparent, parent, spouse, sibling, or child. The Commissioner has discretion to grant such time extensions for good cause under Ark. Code Ann. § 23-64-304(b), but only up to one (1) year; and may deny requests from anyone failing, or who has in the past failed, to comply with Arkansas laws or rules, or failed to comply within any extended time period granted by the Commissioner under this subsection.

SECTION 4. EDUCATIONAL REQUIREMENTS

A. Number of Course Hours

1. Upon the effective date of this Rule, any non-exempt persons licensed as producers shall, biennially on or before their birthdays, satisfactorily complete a minimum of twenty-four (24) hours of continuing education instruction approved by the Commissioner, which must include at least three (3) hours of ethics in each two year license renewal cycle, if the individual is licensed to sell:

a. Life insurance;
b. Accident and health or sickness insurance;
c. Property insurance;
d. Casualty insurance;
e. Variable products insurance; or
f. Personal lines insurance.

2. Upon the effective date of this Rule, any person who holds an adjuster license shall satisfactorily complete a minimum of twenty-four (24) hours of continuing education instruction approved by the Commissioner, which must include three (3) hours of ethics in each two year license renewal cycle. This provision shall not apply to:

   a. An adjuster that is licensed in another state;
   b. The licensing state requires continuing education; and
   c. The adjuster has satisfied the continuing education requirements of the licensing state or designated home state.

3. If a person is a non-exempt producer required to obtain continuing education under this Section and a licensed adjuster, that person shall be required to meet the continuing education requirements of both licenses.

4. The continuing education requirements in this section do not apply to title insurance agents. License renewal and continuing education requirements for title insurance agents are governed by Rule 87.

B. Biennial Licensing Period

1. Effective until January 1, 2011, all initial licensees and all renewal licensees for the above-referenced licensees will continue to be issued on an annual basis, with the continuing education requirements of eight (8) or ten (10) hours due annually.

2. Effective January 1, 2011, continuing education will be due biennially under the following schedule:

   a. For existing individual licensees born in odd-numbered years, a two-year license will be issued for the 2011 renewal on the licensee's birth date, and renewed biennially thereafter. Twelve hours (12) of continuing education, which must include two hours of ethics, must be completed prior to the licensee's renewal in 2011. Beginning in 2013, the continuing education requirements of twenty-four (24) hours, which must include three (3) hours of ethics, will be due at each two year license renewal cycle based on the licensee's birth date. The first continuing education requirement of twenty-four (24) hours, which must include three (3) hours of ethics, is due by the expiration/renewal birth date in 2013, and at each subsequent two year license renewal.

   b. For existing individual licensees born in even-numbered years, a one-year license will be issued for the 2011 renewal on the licensee's birth

date. Resident producers and adjusters will be required to have twelve (12) hours of continuing education, which must include two (2) hours of ethics, due for license renewal in 2012. Beginning in 2012, these licensees will renew their licenses for a two-year period and renew biennially on their birth date thereafter. The continuing education requirement of twenty-four (24) hours, which must include three (3) hours of ethics, will be due at the first two year license renewal cycle based on the licensee's birth date in 2014 and biennially on the birth date thereafter.

c. For new individual licensees issued in 2011 and subsequent years, license renewal periods will not be based on birth year. The initial license will be issued for a two-year period and renewed biennially on the licensee's birth date thereafter. The continuing education requirements of twenty-four (24) hours, which must include three (3) hours of ethics, will be due at each two year license renewal cycle.

d. The continuing education requirements for resident adjusters and for those non-residents who have qualified for an Arkansas Adjuster license by taking the Arkansas adjuster exam will be 24 hours every two years of which 3 hours must be ethics. The requirement for adjusters to complete continuing education on or before their birthday will start January 1, 2012. Non-residents who have qualified by being licensed as an adjuster in their home state are exempt from continuing education requirements.

C. Requirements for Continuing Education to Qualify as Distance Learning

1. "Distance Learning" means a classroom educational program in which the licensee and the instructor may be in different physical locations yet interact with each other through various methods of telecommunications, including but not limited to video teleconference or webinar.
2. There shall be five required parts to a Distance Learning Continuing Education course: video imagery, interactivity, written materials, attendance verification, and a technology help line.

   a. The video imagery shall constitute a live continuing education provider or instructor, with interactive abilities, which include, but are not limited to, allowing for attendees to ask real time questions and be assisted by continuing education providers, instructors, or proctors, in real time.
   b. Written materials shall be available in hard copy or in downloadable format and may be projected as part of the video imagery during the course of the Distance Learning presentation.
   c. A technology help line shall be available prior to, during, and after the Distance Learning presentation. This technology help line shall be adequate in staff size to assist attendees within a reasonable amount of time during the course of the Distance Learning presentation.
3. The Distance Learning provider shall be able to verify attendance and shall provide that attendance verification to the Department.
4. A form shall be made available on the Department's License Division website that shall be executed by the Distance Learning provider and submitted to the

Department electronically so that the attendee may receive credit for the Distance Learning course. The form shall be submitted to the Department no later than ten days after attendee completes the Distance Learning course.

D. Course Approval

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 professional designated program;
5. Any part of the Certified Insurance Counselor Program;
6. Any course offered by Certified Health Consultant;
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 producers' association, insurance trade association, or any independent program of instruction;
10. Any correspondence courses, including, but not limited to, correspondence courses offered via the Internet, subject to the following:

    a. 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. Electronic filings with the Arkansas Insurance Department's License Division ("License Division") are encouraged and permitted;
    b. All correspondence course examinations must be proctored or include an attestation or certification to be completed by the licensee verifying that the licensee is the person who is completing the course and exam;
    c. Proctors must provide an affidavit attesting under oath or affirmation that the correspondence or electronic course examination was proctored and/or included the attestation or certification required by § 4D(10)(b), 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;
    d. Appendix G must accompany the filing of the Appendix H roster and these must be retained in the providers records. Correspondence course providers shall maintain all records or electronic copies of records on proctors and proctored examinations;
    e. Any person with no family or financial relationship to the licensed producer or adjusters may proctor an examination under this Rule;
    f. Course providers' filings must explain how correspondence course exams will not be duplicated for any two (2) test takers; and
    g. Correspondence courses approved and subsequently purchased by the producer or adjuster, prior to the effective date of this Rule, may 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 producer or adjuster 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.

E. Course Hour Valuation

1. The Commissioner shall assign the number of continuing education hours for which approved courses qualify.
2. Key Components – Filings must include and clearly demonstrate:
   a. Material that is current, relevant, accurate, and that includes valid reference materials, graphics and interactivity;
   b. Clearly defined objectives and course completion criteria;
   c. Specific instructions to register, navigate, and complete the course work.
   d. Technical support/provider representative available during business hours;
   e. Process to authenticate student identity; and
   f. Method for measuring the student's successful completion of course material and for evaluating the learning experience.
3. Acceptable Procedures to determine Appropriate Number of Credit Hours - Select and File one (1) of three (3) Methods below per Course:
   a. Method A:
      i. 600-700 words (standard font size) = one (1) text page;
      ii. Textbooks/workbooks/other printed material – one (1) credit for every fifteen (15) pages;
      iii. Three (3) screens with an aggregate total of approximately 600-700 words – one (1) text page;
      iv. Forty-five (45) screens – one (1) hour of credit;
      v. Divide total screens by forty-five (45) – total number of credit hours;
      iv. Multiply number of hours by 1.00 for a basic level course; 1.25 for an intermediate level; 1.50 for an advanced course for additional study time = total number of credit hours (fractional hours rounded up if .50 or above and rounded down if .49 or less).
   b. Method B:
      i. Divide total number of words by one hundred eighty (180) (documented average reading time) = number of minutes to read material;
      ii. Divide number of minutes by fifty (50) = credit hours;
      iii. Multiply number of hours by 1.00 for a basic level course; 1.25 for an intermediate level; 1.50 for an advanced course for additional study time = total number of credit hours (fractional hours rounded up if .50 or above and rounded down if .49 or less).
   c. Method C:
      Oral Presentations: Providers may use the timed outline method for speeches and other oral presentations intended for continuing education

credits. Providers should file a detailed description of the proposed subject of the program or course, including a timed course outline, list of any resource materials, and list of speakers or instructors or proctors.

F. Certificates and Evidence of CE Completion

Certificates of Completion (see Appendix E) which were issued to producers prior to the effective date of this Rule will be valid for filing with the Commissioner until the expiration date listed on the certificate. Course providers are no longer required to issue Certificates of Completion. Instead, filing of CE completion will be evidenced by the course provider upon filing with the Department either an Appendix G or an Appendix H roster within ten (10) days from the completion of the course of instruction. Upon specific request, course providers may continue to issue Certificates of Completion or other evidence of course completion, but no filing of such is to be made with the Department.

G. Course Repetition

Courses may not be repeated within a 2-year period of time.

SECTION 5. COURSE PROVIDER APPROVAL

A. Forms. The following forms are prescribed by the Commissioner and are attached as exhibits to this Rule. All forms are available upon request to the Department or via the Department's web site at:

http://insurance.arkansas.gov/License/forms.htm

APPENDIX A-1	Course Application for Continuing Education
APPENDIX A-2	Adjuster Continuing Education Course Approval Form
APPENDIX A-3	Annuity Suitability Training Course Approval Form
APPENDIX B	Course Valuation
APPENDIX C	Continuing Education Provider Application
APPENDIX D	Application for Instructor Approval
APPENDIX E	Individual Certificate of Completion
APPENDIX F	Request for Exemption
APPENDIX G	Completion of Correspondence Course and Proctor Affidavit
APPENDIX H	Continuing Education Providers Reporting Roster, with Instructions

B. Application for approval as a provider shall be submitted to the License Division not less than sixty (60) days prior to the expected use of the program. The Provider shall submit the course filing electronically.

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.
2. For Correspondence Course filings, the provider must append Appendix B to the electronic course filing to show the method and calculation of the hours requested for the course.
   For Classroom courses, the provider must append a detailed and timed outline of the course which is being electronically filed with Appendix B .
   For Distance Learning Courses, the provider must append to the electronic filing a detailed, timed outline of the course presentation, and shall state the technological method to verify attendance and completion of the course with Appendix B..
3. Schedules of classes, seminars and meetings for all locations.

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

D. Fees and Renewal. The fee for a provider is one hundred dollars ($100.00) annually and is renewed September 1 of each year for one hundred dollars ($100.00). Failure to renew will result in the provider, courses and instruction to become inactive, and the provider must file a new application for approval, as discussed in § 5(B) of this Rule.

SECTION 6. INSTRUCTOR QUALIFICATIONS

A. An approved instructor teaching any approved course of instruction or lecturing at any approved seminar or meeting shall qualify for two (2) hours of credit for each hour presented.

B. Instructors must have had specific insurance training or educational experiences satisfactory to and approved by the Commissioner in order to be certified to teach any part of any approved course. Each instructor must have two (2) 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 Commissioner. Applicants for approval as an instructor shall complete and submit Appendix "D" to the License Division.

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 for good cause shown in a written request.

SECTION 7. 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 8. FEES AND COMPLIANCE

A. For each completed course, an approved course provider shall file with the Commissioner or his/her designee a roster by electronic submission as prescribed in Appendix "H". The course provider shall electronically file the attendees roster with the Commissioner in a timely manner, but not later than ten (10) days from the completion of the course of instruction. A vendor is an individual, corporation, or legal entity hired by the Commissioner to facilitate the electronic functions of this Rule. The Commissioner may require providers to submit the course providers' Appendix "H" per course in electronic form to the Department, or may require the provider to submit information to an outside vendor or other parties contracting with the Commissioner to maintain and update insurance licensees' continuing education data. **If an attendee does not sign the roster provided as Appendix "H", credit will not be granted for the course.** The course provider shall maintain copies of the Appendix "H" Appendix" G" in a format that is subject to review by the Commissioner.

B. Every person/producer subject to this Rule shall tender a $10 CE filing fee in the manner and at the time as directed by the Commissioner or by a vendor of the Commissioner until the implementation of the biennial renewal period. On or before their birthdate each biennial renewal period, Arkansas resident producers or adjusters who are required to

meet continuing education requirements, must pay $20.00 continuing education filing fee in accordance with Rule 57, simultaneously with the other fees required to renew or continue licensure.

C. Excess educational hours accumulated during any biennial period may be carried forward only to the next biennial period, subject to other limitations in this Rule. Continuing education carried forward to the following calendar year shall expire upon commencement of the second (2nd) biennial period following completion of the hours. Additional Ethic hours will carry over as regular hours and not as ethic education.

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

SECTION 9. PENALTIES

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

B. Any licensee fined under Ark. Code Ann. § 23-64-304(d) may request that the Commissioner seal the licensee's records at the Department regarding the fine. The underlying conduct of any licensee whose record has been sealed under Ark. Code Ann. § 23-64-304 shall be deemed as a matter of law never to have occurred, and the licensee is not required to disclose the violation on any subsequent application after the records are sealed.

SECTION 10. 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.

SECTION 11. EFFECTIVE DATE AND APPLICABILITY

Rule 50 shall be effective on and after and shall be applicable to those persons licensed to act as an insurance producer, adjuster or continuing education course provider, instructor or proctor, who must comply with Ark. Code Ann. §§ 23-64-301, et seq., and other laws for continuation of producers' licenses and for the sale of the following types of insurance, as duplicates of or in addition to any listed elsewhere in this Rule:

A. Life, and/or accident and health insurance,
B. Property and/or casualty insurance, and
C. Personal lines and
D. Adjusters.

_____
ALLEN KERR
INSURANCE COMMISSIONER
STATE OF ARKANSAS

_____
DATE

ARKANSAS INSURANCE DEPARTMENT
Appendix A-1
Producer and Title Agent Continuing Education Course Approval Form

(print in ink or type)

Provider Name_____Provider #: _____

Contact Person: _____ Contact Phone # _____

Contact Fax #: _____
Contact e-mail Address: _____
Course
Title_____

Will this course open to the public: _____Yes _____No

Course Type: (Select One)
Self Study (complete formula on appendix B)

Correspondence _____
Teleconference _____
Video/Audio/CD/DVD _____
_____

Class Room (attach a timed outline of the class presentation)
Seminar _____

Distance Learning _____

Special note: Hours awarded for self study course will be based on the formula on Appendix B. All self study courses must have a proctored exam.

Course Field of Study (select only one)

Topic:	**Hours Requested**	**Hours Approved**
_____Accident/Sickness/Health	_____	_____
_____Property/Casualty	_____	_____
_____Life	_____	_____
_____Personal Lines	_____	_____
_____Ethics	_____	_____
_____Annuities	_____	_____
_____Variable Products	_____	_____
_____Flood	_____	_____
_____Workers Compensation	_____	_____
_____Property (only)	_____	_____
____Casualty (only)	_____	_____
_____Title	_____	_____
_____Title Ethics	_____	_____

Signature of Provider Representative_____
Date: _____ Provider Representative's Phone Number :_____

Department Use Only:
Approved by: _____
Date: _____

Declined by: _____
Date:_____

Course Number Assigned _____

ARKANSAS INSURANCE DEPARTMENT
Appendix A-2
Adjuster Continuing Education Course Approval Form

(print in ink or type)

Provider Name_____ Provider #: _____

Contact Person: _____ Contact Phone # _____

Contact Fax #: _____Contact e-mail Address: _____

Course Title_____

Will this course open to the public: _____Yes _____No

Course Type: (Select One)

Self Study (complete formula on appendix B)

Correspondence _____
Teleconference _____
Video/Audio/CD/DVD _____
_____

Class Room (attach a timed outline of the class presentation)

Seminar _____

Distance Learning _____

Special note: Hours awarded for self study course will be based on the formula on Appendix B. All self study courses must have a proctored exam.

Course Field of Study (select only one)

Topic:	**Hours Requested**	**Hours Approved**
_____Property/Casualty	_____	_____
_____Ethics	_____	_____
_____Workers Compensation	_____	_____
_____Property (only)	_____	_____
_____ Casualty (only)	_____	_____
_____		

Signature of Provider Representative_____
Date: _____

Provider Representative's Phone Number _____

Department Use Only:
Approved by: _____ Date: _____

Declined by: _____
Date: _____

Course Number Assigned _____

ARKANSAS INSURANCE DEPARTMENT
Appendix A-3
Annuity Suitability Training Course Approval Form

(print in ink or type)

Provider Name_____ Provider #: _____

Contact Person: _____ Contact Phone # _____

Contact Fax #: _____

Contact e-mail Address: _____

Course Title_____

Will this course be open to the public: _____Yes _____No

Course Type: (Select One)

Self Study (complete formula on appendix B)

Correspondence _____

Teleconference - _____

Video/Audio/CD/DVD _____

_____

Class Room (attach a timed outline of the class presentation)

Seminar _____

Distance Learning _____

Special note: Hours awarded for self study course will be based on the formula on Appendix B. All self study courses must have a proctored exam.

Signature of Provider Representative_____

Date: _____

Provider Representative's Phone Number _____

Department Use Only:

Approved by: _____ Date: _____

Declined by: _____

Date:_____

Course Number Assigned _____

ARKANSAS INSURANCE DEPARTMENT
APPENDIX B
COURSE VALUATION
FOR USE WITH RULE 50

All **Correspondence Courses** must use one of the following formulas to calculate the number of hours for the course: (round up fractional hours if .50 or above) Correspondence courses include Webinar, teleconference and video/Audio/CD/DVD self study

All **Classroom** courses must have a timed outline of the oral presentation attached to this form.

Formula A:
Textbooks---1 credit for every 15 pages--600-700 words equal one text page
Computer course---3 screens equals 1 text page (aggregate total of 600 to 700 words per screen)
Forty-five (45) screens equal 1 credit hour
Multiply credit hours by 1.00 for basic level course; 1.25 for intermediate level course and 1.50 for advanced course. Total equals number of credit hours.

Formula B:
Divide the total number of words by 180=number of minutes to read material
Divide number of minutes by 50=credit hours
Multiply number of hours by 1.00 for basic level course; 1.25 for intermediate course and 1.50 for advanced course

1. Course Name; _____
2. Method Used for Valuation: Formula A Formula B Classroom
   (Circle One)
3. If using formula A or formula B provide calculation below:

_____

_____

_____

Formula C: If classroom, distance learning or seminar, attach a detailed and timed outline of the class or seminar. For distant learning, a detailed timed outline of the course and document is the way attendance is verified.

Department Use:
Notes: _____

_____

ARKANSAS INSURANCE DEPARTMENT
APPENDIX C
CONTINUING EDUCATION PROVIDER APPLICATION

Name of Provider: _____

Address: _____
Street or P.O. Box City State Zip

Phone Number: _____ Fax # _____

Name of Contact Person #1 _____

Contact Person Phone # _____ Fax # _____

Contact Person E-mail: _____

Name of Contact Person #2 _____

Contact Person Phone # _____ Fax # _____

Contact Person E-mail: _____

What other States are you approved as a Provider of Continuing Education:

_____

_____

List Representatives Authorized to Sign Certificates for Provider:

Name	Title	Signature

Type of Courses Provider Will Offer: (check all that apply)

_____ Producer (agent/broker) _____ Title _____ Adjuster

Signed _____

Printed Name _____

Title _____

Dated _____

*********THIS FORM IS TO BE SUBMITTED WITH A REGISTRATION FEE OF $100*********

For Department Use:
Fee Received: _____ **Check or Route Slip:** _____

Approved by _____ **Date:** _____

Disapproved by _____ **Date:** _____

ARKANSAS INSURANCE DEPARTMENT
APPENDIX D
APPLICATION FOR INSTRUCTOR APPROVAL
FOR USE WITH RULE 50

Provider Name: _____ Provider # _____

Contact Person _____ Phone # _____

Instructor Information

1. Applicant Name

_____

2. Applicant's Contact Address:

_____
Street or P.O. Box City, State Zip

3. Applicant's Phone # _____ Applicant's Fax Number _____
4. Applicant's e-mail address _____

Qualifications of Instructor:

The applicant can attach a Resume or Curriculum Vitae.

5. Summarize all prior insurance experience which totals 2 or more years. (Attach additional sheets if necessary). If you do not have insurance experience—enter N/A

_____

_____

6. Please summarize insurance education, including but not limited to college or university insurance course hours. Include any professional designations or number of hours obtained toward professional designation.

_____

_____

7. List all current resident and non-resident insurance licenses you currently hold. List the

State of issue, License Type and License#. _____

_____

8. Have you ever been involved in an administrative proceeding regarding any professional license?

____Yes ___No If yes attach full detailed statement and copies of official documents.

Course of Instruction

9. What type courses of instruction do you propose to serve as instructor?

_____

_____

I hereby certify that, under penalty of perjury, all the information submitted in this application and attachments is true and complete.

_____ _____
Signature Date

Department Use Only
Approved by _____ Date _____
Disapproved by _____ Date _____

ARKANSAS INSURANCE DEPARTMENT

APPENDIX E
INDIVIDUAL CERTIFICATE OF COMPLETION
FOR USE WITH RULE 50

_____ _____
Producer Name (Type or Print) Arkansas License Number(s)

_____
Street Address City State Zip Code

I, _____,
Authorized Representative (Type or Print)

of _____,
Course Provider

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

Course Title _____

Number of Credit Hours Earned _____ Course Number_____

Date of Course Completion _____

This course has been approved by the Arkansas Department of Insurance pursuant to Rule 50.

_____ _____
Date Signature of Authorized Representative

_____ _____
Date Signature of Producer

THIS FORM MAY BE PROVIDED TO THE PRODUCER UPON COMPLETION OF THE COURSE IF REQUESTED BY THE PRODUCER.

ARKANSAS INSURANCE DEPARTMENT

APPENDIX F REQUEST FOR EXEMPTION FOR USE WITH RULE 50

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

Under Arkansas Code §23-64-302(3) and (4) as amended, I held an Arkansas producer license before July 1, 2003, and now am requesting the following exemption(s) Continuing Education Hours:

_____ 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, producer for a period of fifteen (15) consecutive years. Date first licensed _____

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)
_____	_____
Arkansas License Number(s)	Street Address
_____	_____
Telephone Number	City, State, Zip

E-MAIL ADDRESS: _____

Subscribed and sworn to or affirmed before me a notary public in and for the State of _____ on this _____ day of _____, 20____.

(Notary seal)

_____
Notary Public

My Commission expires
_____

ARKANSAS INSURANCE DEPARTMENT
APPENDIX G
CORRESPONDENCE COURSE
CERTIFICATION OF COMPLETION AND PROCTOR AFFIDAVIT
FOR USE WITH RULE 50

All Correspondence Courses must have a proctored exam to be valid. Form must be typed or printed.

LICENSEE'S INFORMATION
Name of Licensee: _____
Licensee's's License # _____
Resident Address: _____
Street or P.O. Box City or State Zip
Business Phone # _____
Producer Signature _____ Date _____

PROCTOR INFORMATION:
Proctors Name: Proctors _____
Address: Proctors Phone _____
Number: _____
Proctors Driver's License # _____ State of Issue _____
Start Time of Exam _____ End Time of Exam _____
Date of Completion of Examination _____
Location of Examination _____

ATTESTATION:
I do hereby solemnly attest that I proctored the above correspondence examination provided to the above name licensee and that the examination was provided as instructed by the Course Provider. I assure the Commissioner that no attendee 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, and I have no special interest to ensure the licensee passes the examination. I understand that this affidavit is provided under oath or affirmation, and that false information shall be grounds for possible Arkansas Insurance Code or Rule penalties.

_____ _____
Signature of Proctor Date

Once Licensee has tested and Proctor has completed form—Provider completes and sends to Department

CONTINUING EDUCATION PROVIDER INFORMATION (Completed by Provider only)
Course Name _____ Course # _____
Provider Name _____ Provider's # _____

Signature of Provider Responsible Contact

Date:

Instructions:

This completed form is to be returned to the Provider of the Course. No credit for the course will be given until the Provider has received this document. The Provider will provide a copy of this form to the Insurance Department by electronic media.

APPENDIX H
CONTINUING EDUCATION PROVIDERS
REPORTING ROSTER OF CONTINUING EDUCATION COMPLETION
FOR USE WITH RULE 50

1. Provider Name _____
2. Provider Number _____
3. Provider Contact Name _____
4. Phone Number _____
5 Date of Roster Submission
6. CE Course Title

National Producer Number	[8] Name of Licensee Printed Name(use full legal name)	[9] Signature of Licensee	[10] Date of Completion	[11] Course Number	[12] Credit hrs

ARKANSAS INSURANCE DEPARTMENT
1200 WEST THIRD STREET
LITTLE ROCK AR 72201
PHONE: 501-371-2750

Instructions for Appendix H
Continuing Education Providers Reporting Roster
For Use with Rule 50

Complete Items 1-12.

1. Provider Name---complete name of CE course provider
2. Provider Number---the number assigned to the provider by the Insurance Department
3. Provider Contact Name---the individual staff should contact for questions on the form
4. Phone Number---the provider's number staff should call for questions on the form
5. Date of Roster Submission---date the form is being sent to the Insurance Department; but in any event no later than twenty (20) days after the completion of the course
6. Course Title---the name of the course taken by the licensee
7. National Producer Number (NPN)--- licensee's number assigned by the Department
8. Name of licensee --print the name of the producer (full legal name)
9. Signature of licensee --the licensee must sign the roster, Appendix H
10. Date of completion---the date the course was completed by the licensee
11. Course Number---the number assigned by the Department to the course
12. Credit Hours---the hours credited for completion of the course when approved by the Department

If you should have any questions regarding this form, please contact the Department License Division at 501-371-2750; or email insurance.license@arkansas.gov.

Arkansas Insurance Department

Asa Hutchinson
Governor

Allen Kerr
Commissioner

September 30, 2015

Arkansas Democrat-Gazette
Attn: Pam Dicus, Legal Ad Department
P.O. Box 2221
Little Rock, AR 72203

Via electronic mail:
legalads@arkansasonline.com

RE: Legal Notices: Public Hearing on Proposed Amended Rule 50

Dear Ms. Dicus:

The Insurance Commissioner is proposing to adopt amended Rule 50 "Continuing Education for Producers and Adjusters." In order to publish it per the Arkansas Administrative Procedure Act and the Arkansas Insurance Code, the Department needs to publish a **FULL RUN** legal ad or notice on the Commissioner's Public Hearing for the Rule set on November 10, 2015 at 10:00 a.m.

In compliance with Arkansas Code Annotated § 25-15-204 and § 16-3-102, please find enclosed a legal ad for Notice of Public Hearing which should be published for three (3) consecutive days beginning on October 1, 2015.

Please send the billing invoices to Mrs. Pam Looney, Assistant Commissioner, Accounting Division, Arkansas Insurance Department, 1200 West Third, Little Rock, Arkansas 72201-1904, accompanied by a printed copy of the Legal Ad and proof of publication.

Thank you in advance for your cooperation.

Sincerely,

Booth Rand

Booth Rand
Managing Attorney
(501) 371-2820
Booth.rand@arkansas.gov

BR/lrr

encl. Legal Ad for Proposed Amended Rule 50 Adoption

NOTICE OF PUBLIC HEARING

The Arkansas Insurance Department will host a Public Hearing on November 10, 2015 beginning at 10:00 a.m. in the First Floor Hearing Room, Arkansas Insurance Department, 1200 West Third Street (Third and Cross Streets), Little Rock, Arkansas, to consider adoption of proposed amended Rule 50, "Continuing Education for Producers and Adjusters." Copies of proposed amended Rule 50 may be obtained by writing or calling the Arkansas Insurance Department, or by visiting our Internet site at http://www.insurance.arkansas.gov/legal.htm. For more information, please contact LoRraine Rowland, Legal Division, Arkansas Insurance Department, at 501-371-2820.

LoRraine Rowland

From: Legal Ads <legalads@arkansasonline.com>
Sent: Wednesday, September 30, 2015 4:11 PM
To: LoRraine Rowland
Subject: Re: Re:HELP HELP Legal Ad for Proposed Amended Rule 50

In this case and and as always thank you for working with me.

From: LoRraine Rowland
Sent: Wednesday, September 30, 2015 4:03 PM
To: 'Legal Ads'
Cc: LoRraine Rowland
Subject: RE: Re:HELP HELP Legal Ad for Proposed Amended Rule 50

As always thank you for your assistance.

LoRraine Rowland
Administrative Analyst/Legal Division
Arkansas Insurance Department
1200 West 3rd Street
Little Rock, AR 72201
501-371-2831 (office)
501-371-2639 (fax)
lorraine.rowland@arkansas.gov

"This will be the best day and the best year of my life"

From: Legal Ads [mailto:legalads@arkansasonline.com]
Sent: Wednesday, September 30, 2015 3:56 PM
To: LoRraine Rowland
Subject: Re: Re:HELP HELP Legal Ad for Proposed Amended Rule 50

Thank you, I'll leave it as is then.
Pam

From: LoRraine Rowland
Sent: Wednesday, September 30, 2015 3:52 PM
To: 'Legal Ads' ; Booth Rand
Cc: LoRraine Rowland
Subject: RE: Re:HELP HELP Legal Ad for Proposed Amended Rule 50

Pam,

Unless Booth has any concerns with the dates I think they are fine.

Thank you,

LoRraine Rowland

Administrative Analyst/Legal Division
Arkansas Insurance Department
1200 West 3rd Street
Little Rock, AR 72201
501-371-2831 (office)
501-371-2639 (fax)
lorraine.rowland@arkansas.gov

"This will be the best day and the best year of my life"

From: Legal Ads [mailto:legalads@arkansasonline.com]
Sent: Wednesday, September 30, 2015 3:31 PM
To: LoRraine Rowland
Subject: Re:HELP HELP Legal Ad for Proposed Amended Rule 50
Importance: High

No worries on that part - however it's way too late for the 1st, the soonest is the 3rd - I've scheduled it for the 3rd, 4th, & 5th, please advise.
Thanks
pam

From: LoRraine Rowland
Sent: Wednesday, September 30, 2015 3:27 PM
To: 'Legal Ads'
Cc: LoRraine Rowland
Subject: RE: Legal Ad for Proposed Amended Rule 50

Sorry Pam I forget everytime.

LoRraine Rowland
Administrative Analyst/Legal Division
Arkansas Insurance Department
1200 West 3rd Street
Little Rock, AR 72201
501-371-2831 (office)
501-371-2639 (fax)
lorraine.rowland@arkansas.gov

"This will be the best day and the best year of my life"

From: Legal Ads [mailto:legalads@arkansasonline.com]
Sent: Wednesday, September 30, 2015 3:24 PM
To: LoRraine Rowland
Subject: Re: Legal Ad for Proposed Amended Rule 50
Importance: High

LoRraine, sorry but I can't convert a pdf file into our ad form - please resend in word.
Thanks
Pam

From: LoRraine Rowland
Sent: Wednesday, September 30, 2015 3:07 PM
To: Legal Ads (legalads@arkansasonline.com)
Cc: LoRraine Rowland ; Booth Rand ; Brandy Wedsted
Subject: Legal Ad for Proposed Amended Rule 50

Pam,

Please find attached a Legal Ad for Proposed Amended Rule 50. Please confirm that the "Ad" can run on the requested date.

Thank you,

LoRraine Rowland
Administrative Analyst/Legal Division
Arkansas Insurance Department
1200 West 3rd Street
Little Rock, AR 72201
501-371-2831 (office)
501-371-2639 (fax)
lorraine.rowland@arkansas.gov

"This will be the best day and the best year of my life"

Arkansas Democrat Gazette

STATEMENT OF LEGAL ADVERTISING

ARK INSURANCE DEPARTMENT
1200 W THIRD
LITTLE ROCK AR 72201

ATTN: Pam Looney
DATE : 10/05/15 INVOICE #: 3051102
ACCT #: L801001 P.O. #:

REMIT TO:
ARKANSAS DEMOCRAT-GAZETTE, INC.
P.O. BOX 2221
LITTLE ROCK, AR 72203

BILLING QUESTIONS CALL 378-3812

STATE OF ARKANSAS, }
COUNTY OF PULASKI, } ss.

I, Katrina Walton, do solemnly swear that I am the Legal Billing Clerk of the Arkansas Democrat - Gazette, a daily newspaper printed and published in said County, State of Arkansas; that I was so related to this publication at and during the publication of the annexed legal advertisement in the matter of:

hearing

pending in the Court, in said County, and at the dates of the several publications of said advertisement stated below, and that during said periods and at said dates, said newspaper was printed and had a bona fide circulation in said County; that said newspaper had been regularly printed and published in said County, and had a bona fide circulation therein for the period of one month before the date of the first publication of said advertisement; and that said advertisement was published in the regular daily issues of said newspaper as stated below.

DATE	DAY	LINAGE	RATE	DATE	DAY	LINAGE	RATE
10/03	Sat	31	1.35				
10/04	Sun	31	1.57				
10/05	Mon	31	1.35				

TOTAL COST ---------- 132.37
Billing Ad #: 73390268

Katrina Walton

Subscribed and sworn to me this 05 day of Oct 20 15

Bennie J. Fuller
Notary Public

OFFICIAL SEAL - # 12381554
BENNIE J. FULLER
NOTARY PUBLIC - ARKANSAS
PULASKI COUNTY
MY COMMISSION EXPIRES: 3-21-2021

AD COPY

NOTICE OF PUBLIC HEARING
The Arkansas Insurance Department will host a Public Hearing on November 10, 2015 beginning at 10:00 a.m. in the First Floor Hearing Room, Arkansas Insurance Department, 1200 West Third Street (Third and Cross Streets), Little Rock, Arkansas, to consider adoption of proposed amended Rule 50, "Continuing Education for Producers and Adjusters." Copies of proposed amended Rule 50 may be obtained by writing or calling the Arkansas Insurance Department, or by visiting our Internet site at http://www.insurance.arkansas.gov/legal.htm. For more information, please contact LoRraine Rowland, Legal Division, Arkansas Insurance Department; at 501-371-2820.
73390268f

RECEIVED
OCT 07 2015
ACCOUNTING
ARKANSAS INSURANCE DEPARTMENT

EXHIBIT
5

LoRraine Rowland

From: Arkansas Insurance Department <insurance.legal=arkansas.gov@mail169.atl171.mcdlv.net> on behalf of Arkansas Insurance Department <insurance.legal@arkansas.gov>
Sent: Wednesday, September 30, 2015 4:13 PM
To: LoRraine Rowland
Subject: Notice of Hearing: Rule 50, "CONTINUING EDUCATION FOR PRODUCERS AND ADJUSTERS"

Notice of Hearing: ??Rule 50, "CONTINUING EDUCATION FOR PRODUCERS AND ADJUSTERS"

View this email in your browser

Arkansas Insurance Department

Asa Hutchinson
Governor

Allen Kerr
Commissioner

Legal Notice

Notice of Hearing
Proposed Amended Rule 50

Please click on the link below to view the Department's Proposed Amended Rule 50 "CONTINUING EDUCATION FOR PRODUCERS AND ADJUSTERS" and Notice of Hearing information.

http://insurance.arkansas.gov/prop-rules.htm

Direct your inquiries to the Legal Division at (501) 371-2820 or insurance.legal@arkansas.gov.

EXHIBIT
6

Arkansas Insurance Department

Asa Hutchinson
Governor

Allen Kerr
Commissioner

August 25, 2015

RECEIVED
AUG 25 2015
BUREAU OF
LEGISLATIVE RESEARCH

Via Hand Delivery

Donna Davis
Arkansas Legislative Council
Arkansas Bureau of Legislative Research
State Capitol, Suite 315
Little Rock, Arkansas 72201

RE: Arkansas Insurance Department Rule 50, "Continuing Education for Producers and Adjusters"

Dear Mrs. Davis:

Enclosed for your review and for filing with the Subcommittee of the Arkansas Legislative Council, is the Arkansas Insurance Department's proposed Amended Rule 50, "Continuing Education for Producers and Adjusters." The Department is proposing to amend Rule 50 to permit continuing education by distance learning, provide additional continuing education to a licensee who teaches a continuing education course, and instruct course providers to submit required forms electronically.

The Department has scheduled a public hearing for September 30, 2015, at 10:00 A.M., at our office in the first floor Hearing Room, to consider adopting this proposed amended Rule. I have enclosed a triplicate set of the proposed Rule, our Notice of Public Hearing, the standard Questionnaire, and Financial Impact Statement.

Please do not hesitate to contact me at (501) 371-2841 or amanda.andrews@arkansas.gov if you have any questions.

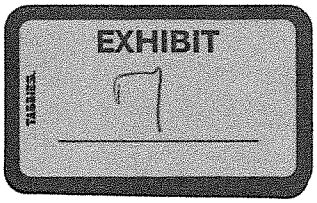
Sincerely,

Amanda J. Andrews

Amanda J. Andrews
Associate Counsel

cc: LoRraine Rowland, Administrative Analyst

encl.



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QUESTIONNAIRE FOR FILING PROPOSED RULES AND REGULATIONS WITH THE ARKANSAS LEGISLATIVE COUNCIL AND JOINT INTERIM COMMITTEE

DEPARTMENT/AGENCY___Arkansas Insurance Department_____
DIVISION_____Legal Division_____
DIVISION DIRECTOR_____Suzanne Tipton_____
CONTACT PERSON_____Amanda Andrews_____
ADDRESS___1200 West Third Street, Little Rock, Arkansas 72201_____
PHONE NO._501-371-2820__FAX NO._501-371-2639__E-MAIL_amanda.andrews@arkansas.gov
NAME OF PRESENTER AT COMMITTEE MEETING __Amanda Andrews_____
PRESENTER E-MAIL __amanda.andrews@arkansas.gov_____

INSTRUCTIONS

A. Please make copies of this form for future use.
B. Please answer each question completely using layman terms. You may use additional sheets, if necessary.
C. If you have a method of indexing your rules, please give the proposed citation after "Short Title of this Rule" below.
D. Submit two (2) copies of this questionnaire and financial impact statement attached to the front of two (2) copies of the proposed rule and required documents. Mail or deliver to:

Donna K. Davis
Administrative Rules Review Section
Arkansas Legislative Council
Bureau of Legislative Research
Room 315, State Capitol
Little Rock, AR 72201

****

1. What is the short title of this rule?

   Rule 50, "Continuing Education for Producers and Adjusters"

2. What is the subject of the proposed rule?

   The proposed Rule permit continuing education by distance learning, provide additional continuing education for each presenter or speaker teaching a continuing education course, and instruct course providers to submit the required forms electronically.

3. Is this rule required to comply with a federal statute, rule, or regulation? Yes____No __X__

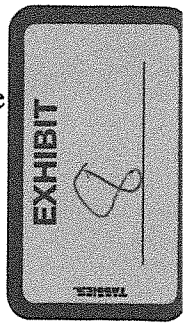
4. Was this rule filed under the emergency provisions of the Administrative Procedure Act? Yes_____ No__X__

   If yes, what is the effective date of the emergency rule? _____N/A____ X_____

   When does the emergency rule expire? _____N/A_____ X_____

   Will this emergency rule be promulgated under the permanent provisions of the Administrative Procedure Act? N/A__ X__ Yes_____ No_____

5. Is this a new rule? Yes_____ No__ X ___ If yes, please provide a brief summary explaining



the regulation.

Does this repeal an existing rule? Yes_____ No__ X__ If yes, a copy of the repealed rule is to be included with your completed questionnaire. If it is being replaced with a new rule, please provide a summary of the rule giving an explanation of what the rule does.

Is this an amendment to an existing rule? Yes_ X__ No___If yes, please attach a mark-up showing the changes in the existing rule and a summary of the substantive changes.

The proposed Rule permit continuing education by distance learning, provide additional continuing education for each presenter or speaker teaching a continuing education course, and instruct course providers to submit the required forms electronically.

6. Cite the state law that grants the authority for this proposed rule? If codified, please give Arkansas Code citation.

   Arkansas Code Annotated §§ 23-61-108 and 23-64-304

7. What is the purpose of this proposed rule? Why is it necessary?

   The purpose of amended Rule 50 is to permit continuing education by distance learning, provide additional continuing education for each presenter or speaker teaching a continuing education course, and instruct course providers to submit the required forms electronically.

8. Please provide the address where this rule is publicly accessible in electronic form via the Internet as required by Arkansas Code § 25-19-108(b).

   http://www.insurance.arkansas.gov/legal.htm

9. Will a public hearing be held on this proposed rule? Yes__X__ No_____
   If yes, please complete the following:
   Date: September 30, 2015
   Time: 10:00 a.m.
   Place: Arkansas Insurance Department, First Floor Hearing Room

10. When does the public comment period expire for permanent promulgation? (Must provide a date.)

    September 30, 2015, unless the Commissioner desires to keep the record open for more comments following the hearing.

11. What is the proposed effective date of this proposed rule? (Must provide a date.)

    As currently drafted on December 1, 2015.

12. Do you expect this rule to be controversial? Yes_____ No _ X__ If yes, please explain.

13. Please give the names of persons, groups, or organizations that you expect to comment on these rules? Please provide their position (for or against) if known.

    None are known at this time.

FINANCIAL IMPACT STATEMENT

PLEASE ANSWER ALL QUESTIONS COMPLETELY

DEPARTMENT____Arkansas Insurance Department_____
DIVISION_____Legal Division_____
PERSON COMPLETING THIS STATEMENT_____Amanda Andrews_____
TELEPHONE NO.__371-2820__FAX NO.__371-2820__EMAIL: amanda.andrews@arkansas.gov

To comply with Act 1104 of 1995, please complete the following Financial Impact Statement and file two copies with the questionnaire and proposed rules.

SHORT TITLE OF THIS RULE ___Rule 50, "Continuing Education for Producers and Adjusters"___

1. Does this proposed, amended, or repealed rule have a financial impact?
   Yes _____ No ___ X_____ Unknown. We have not calculated financial impact to health benefit plans subject to the proposed Rule in terms of premium rate or cost impact.

2. Does this proposed, amended, or repealed rule affect small businesses?
   Yes _____ No ___ X_____

   If yes, please attach a copy of the economic impact statement required to be filed with the Arkansas Economic Development Commission under Arkansas Code § 25-15-301 et seq.

3. If you believe that the development of a financial impact statement is so speculative as to be cost prohibited, please explain.

   N/A

4. If the purpose of this rule is to implement a federal rule or regulation, please give the incremental cost for implementing the rule. Please indicate if the cost provided is the cost of the program.

   We do not anticipate any costs to the Department or State in our implementation of this Rule.

Current Fiscal Year	**Next Fiscal Year**
General Revenue_____	General Revenue_____
Federal Funds_____	Federal Funds_____
Cash Funds_____	Cash Funds_____
Special Revenue_____	Special Revenue_____
Other (Identify)_____	Other (Identify)_____
Total_____	Total_____

5. What is the total estimated cost by fiscal year to any party subject to the proposed, amended, or repealed rule? Identify the party subject to the proposed rule and explain how they are affected.

   N/A

Current Fiscal Year **Next Fiscal Year**

$_____ N/A _____ $_____ N/A _____

6. What is the total estimated cost by fiscal year to the agency to implement this rule? Is this the cost of the program or grant? Please explain.

N/A

Current Fiscal Year **Next Fiscal Year**

$_____ $_____

_____

_____

_____

ECONOMIC IMPACT STATEMENT
OF PROPOSED RULES OR REGULATIONS
EO 05-04: Regulatory Flexibility

Department: *Arkansas Insurance Department*
Contact Person: *Amanda J. Andrews*
Contact Phone: *501-371-2841*

Division: *Legal*
Date: *August 25, 2015*
Contact Email: *amanda.andrews@arkansas.gov*

Title or Subject: *Proposed Amended Rule 50, "Continuing Education for Producers and Adjusters"*

Benefits of the Proposed Rule or Regulation

1. Explain the need for the proposed change(s). Did any complaints motivate you to pursue regulatory action? If so, please explain the nature of such complaints.
   Proposed Amended Rule 50 will permit continuing education by distance learning, provide additional continuing education for each presenter or speaker teaching a continuing education course, and instruct course providers to submit the required forms electronically.

2. What are the top three benefits of the proposed rule or regulation?
   To allow producers and adjusters to take continuing education by distance learning, to encourage more producers and/or adjusters to volunteer to teach a continuing education course, and to streamline the contiuing education reporting forms through electronic submission.

3. What, in your estimation, would be the consequence of taking no action, thereby maintaining the status quo?
   Producers and adjusters will not be able to take distance learning courses for continuing education, speakers will have no incentive to teach a continuing education course, and course presenters will be required to submit the required forms via mail or facsimile causing a delay in the reporting time.

4. Describe market-based alternatives or voluntary standards that were considered in place of the proposed regulation and state the reason(s) for not selecting those alternatives.
   N/A

Impact of Proposed Rule or Regulation

5. Estimate the cost to state government of *collecting information, completing paperwork, filing, recordkeeping, auditing and inspecting* associated with this new rule or regulation.
   None.

6. What types of small businesses will be required to comply with the proposed rule or regulation? Please estimate the number of small businesses affected.
   None.

7. Does the proposed regulation create barriers to entry? If so, please describe those barriers and why those barriers are necessary.
   None.

8. Explain the additional requirements with which small business owners will have to comply and estimate the costs associated with compliance.
   None.

9. State whether the proposed regulation contains different requirements for different sized entities, and explain why this is, or is not, necessary.
   None.

10. Describe your understanding of the ability of small business owners to implement changes required by the proposed regulation.
    None.

11. How does this rule or regulation compare to similar rules and regulations in other states or the federal government?
    Some states have a similar rule or regulation.

12. Provide a summary of the input your agency has received from small business or small business advocates about the proposed rule or regulation.
    N/A

EXHIBIT

SUMMARY

RULE 50: CONTINUING EDUCATION FOR PRODUCERS AND ADJUSTERS

The proposed Rule's amendments amend current Rule 50 to permit licensees to obtain continuing education ("CE") through "Distance Learning" courses. The amendments to Rule 50, relating to permitting this new educational course program for CE begin in Section Four (4) (C) through G. The requirements address the following: (1) the five required parts to a Distance Learning Continuing Education courses: video imagery, interactivity, written materials, attendance verification, and a technology help line; (2) the verification process by the Distance Learning provider; and (3) the forms available on the Department's License Division website that shall be executed by the Distance Learning provider and submitted to the Department electronically so that the attendee may receive credit for the Distance Learning course.

We also made the following additional changes to the filed Rule during public comment: (1) we corrected a typo in the Effective Date section, and fixed the typo indicating the effective date of these Amendments to be 1-1-2016; (2) we did some clean up fixing Section Four (4) to simplify the birthday rule, deleting all of the older 2011 staggered even and odd birthdays and simply made the language in that section more simple by saying: "The continuing education requirements to licensees subject to this Rule shall be twenty-four (24) hours, which must include three (3) hours of ethics, due before the end of each two (2) year license renewal cycle, timed upon the licensee's date of birth as set forth in Section Six (6) in Arkansas Insurance Department Rule 57, "Insurance Department Administrative and Regulatory Fees."

The other proposed changes were clean up language in both the Rule and forms related to correspondence course certifications, and course approval forms, that apply to all types of CE. Finally, the rule proposes to amend Rule 50 to add a $100 CE provider annual provider fee for all types of CE.

EXHIBIT
10

Arkansas Insurance Department

Asa Hutchinson
Governor

Allen Kerr
Commissioner

August 25, 2015

Edward Armstrong
Office of the Attorney General
323 Center Street, Suite 200
Little Rock, AR 72201

Via Electronic Mail

RE: Arkansas Insurance Department Rule 50, "Continuing Education for Producers and Adjusters"

Dear Mr. Armstrong:

Enclosed for your review is the Arkansas Insurance Department's proposed Amended Rule 50, "Continuing Education for Producers and Adjusters." The Arkansas Insurance Department ("Department") is proposing to amend Rule 50 to permit continuing education by distance learning, provide additional continuing education to a licensee who teaches a continuing education course, and instruct course providers to submit required forms electronically.

The Department has scheduled a public hearing for September 30, 2015, at 10:00 A.M., at our office in the first floor Hearing Room, to consider adopting this proposed amended Rule.

Please do not hesitate to contact me at (501) 371-2841 or amanda.andrews@arkansas.gov if you have any questions.

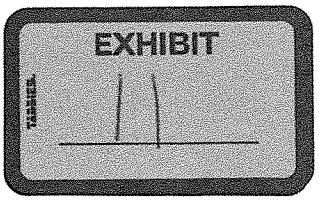
Sincerely,

Amanda J. Andrews

Amanda J. Andrews
Associate Counsel

cc: LoRraine Rowland, Administrative Analyst

encl.



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Amanda Andrews

From: Amanda Andrews
Sent: Tuesday, August 25, 2015 10:45 AM
To: Edward Armstrong (edward.armstrong@arkansasag.gov)
Subject: Proposed Amended Rule 50
Attachments: doc01861520150825102431.pdf

Mr. Armstrong,

Please see attached correspondence.

Amanda J. Andrews
Associate Counsel, Legal Division
Arkansas Insurance Department
1200 West 3rd Street
Little Rock, AR 72201
Office: (501) 371-2841
Facsimile: (501) 371-2639
amanda.andrews@arkansas.gov

-----Original Message-----
From: donotreply@arkins.com [mailto:donotreply@arkins.com]
Sent: Tuesday, August 25, 2015 10:25 AM
To: Amanda Andrews
Subject:

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[00:c0:ee:a5:df:74]

Arkansas Insurance Department

Asa Hutchinson
Governor

Allen Kerr
Commissioner

August 25, 2015

Arkansas Secretary of State
Attn. Arkansas Register
500 Woodlane Street,
Little Rock, AR 72201

RE: Arkansas Insurance Department Rule 50, "Continuing Education for Producers and Adjusters"

Dear Secretary Martin:

The Arkansas Insurance Department is proposing to amend Rule 50, "Continuing Education for Producers and Adjusters," to permit continuing education by distance learning, provide additional continuing education to a licensee who teaches a continuing education course, and instruct course providers to submit required forms electronically. For that reason, the Department has scheduled a public hearing for September 30, 2015, at 10:00 A.M., at our office in the first floor Hearing Room, to consider adopting this proposed amended Rule. Enclosed are the Notice of Public Hearing and a copy of the proposed amended Rule.

Will you please arrange to publish the information in a format acceptable to the Secretary for at least 30 days prior to the hearing? I would appreciate it if you could provide me with a confirmation that I can use as an exhibit in the public hearing.

An electronic filing will be made within the statutorily required 7 days. I thank you for your help. Please do not hesitate to contact me at (501) 371-2841 or amanda.andrews@arkansas.gov if you have any questions.

Sincerely,

Amanda J. Andrews
Associate Counsel

cc: LoRraine Rowland, Administrative Analyst

encl.

EXHIBIT
12

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Arkansas Insurance Department

Asa Hutchinson
Governor

Allen Kerr
Commissioner

August 25, 2015

Pat Brown
Economic Development Commission
900 W Capitol Avenue
Little Rock, AR 72201

RE: Arkansas Insurance Department Rule 50, "Continuing Education for Producers and Adjusters"

Dear Mrs. Brown:

Enclosed for your review is the Arkansas Insurance Department's proposed Amended Rule 50, "Continuing Education for Producers and Adjusters." The Department is proposing to amend Rule 50 to permit continuing education by distance learning, provide additional continuing education to a licensee who teaches a continuing education course, and instruct course providers to submit required forms electronically.

The Department has scheduled a public hearing for September 30, 2015, at 10:00 A.M., at our office in the first floor Hearing Room, to consider adopting this proposed amended Rule. I have enclosed a copy of the proposed Rule and Notice of Public Hearing.

Please do not hesitate to contact me at (501) 371-2841 or amanda.andrews@arkansas.gov if you have any questions.

Sincerely,

Amanda J. Andrews
Associate Counsel

cc: LoRraine Rowland, Administrative Analyst

encl.

Public Comments Section

(Open Folder)

EXHIBIT

14

Brandy Wedsted

From: LoRraine Rowland
Sent: Friday, September 25, 2015 4:12 PM
To: Booth Rand; Brandy Wedsted
Cc: LoRraine Rowland
Subject: FW: Proposed Amended Rule 50 comments
Attachments: CE RecGLOnlineCourses_3.29.15.pdf

Here are some Public Comments

LoRraine Rowland
Administrative Analyst/Legal Division
Arkansas Insurance Department
1200 West 3rd Street
Little Rock, AR 72201
501-371-2831 (office)
501-371-2639 (fax)
lorraine.rowland@arkansas.gov

"This will be the best day and the best year of my life"

From: Cindy Davidson [mailto:Cindy.Davidson@examfx.com]
Sent: Friday, September 25, 2015 11:20 AM
To: LoRraine Rowland
Subject: Proposed Amended Rule 50 comments

As an approved education provider for insurance producer continuing education in Arkansas, ExamFX appreciates the opportunity to provide input as you consider the Proposed Amendments to Rule 50, Continuing Education for Producers and Adjusters.

Our first observation has to do with Section 4. Educational Requirements, Part C Course Approval, 10.b. The language indicates "All correspondence course examinations must be proctored or include an attestation or certification to be completed by the licensee verifying that the licensee is the person who is completing the course and exam." However, Appendix G still says "All Correspondence Courses must have a proctored exam to be valid." We recommend striking this statement from Appendix G.

Our second comment also falls under Section 4. Educational Requirements, Part E Course Hour Valuation (same language appears in Appendix B). The methods of credit hour determination are based on NAIC "Recommended Guidelines for Online Courses" that were established in 2009. Online education has come a long way since then, and there is limited value in employing, for example, the "screen count" calculations outlined in Method B. We would recommend utilizing the updated NAIC guidelines, attached, adopted earlier this year by the Producer Licensing Working Group and the Producer Licensing Task Force. These guidelines modernize industry standards and best practices for reviewing online courses and awarding credit hours.

Our third comment is in regard to Section 4. Educational Requirements, Part F Certificates and Evidence of CE Completion. There is a conflict between the language here ("...filing of CE completion will be evidenced by the course provider upon filing with the Department either an Appendix G or an Appendix H roster within ten (10) days from the

completion of the course of instruction.") and the language in the "Instructions for Appendix H", which indicates the "Date of Roster Submission---date the form is being sent to the Insurance Department; but in any event no later than twenty (20) days after the completion of the course." We would suggest preserving the 20-day reporting period to allow time for processing student results and reasonable data validation.

Our final comment has to do with Appendix H. On 02/27/12, Barbara Gordon of the AR DOI stated in an e-mail to us that "...Appendix H is used for classroom courses only." We request that the Amended Rule 50 include this clarification. it is unnecessarily burdensome for students to physically sign a document, find a way to transmit it to ExamFX, and then wait for processing before a certificate can be issued. Also, requiring physical signatures is inconsistent with industry best practices adopted by other states with similar requirements.

Thank you again for the opportunity to provide comments on this Rule.

Cynthia Davidson
Product Director, Insurance & Securities
D 913.661.6550 | M 310.741.0207

ExamFX – ***Leader in Prelicense Education***
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www.examfx.com

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Continuing Education Recommended Guidelines for Online Courses

Goal: To deliver functional computer-based internet courses that offer quality insurance and/or risk management material in a password-protected online environment.

Key Components:

- Material that is current, relevant, accurate, and that includes valid reference materials, graphics and interactivity.
- Clearly defined objectives and course completion criteria
- Specific instructions to register, navigate and complete the course work
- Technical support/provider representative should be available during business hours and response provided within 24hours of initial contact.
- Instructors/subject matter experts must be available to answer student questions during provider business hours
- Process to authenticate student identity such as passwords and security prompts
- Method for measuring the student's successful completion of course which includes the material, exam and any proctor requirements.
- Process for requesting and receiving CE course-completion certificate and reporting student results to the appropriate regulator
- Require each agent to enroll for the course before having access to course material.
- Prevent access to the course exam before review of the course materials.
- Prevent downloading of any course exam.
- Provide review questions at the end of each unit/chapter and prevent access to the final exam until each set of questions are answered at a 70% rate.
- Provide final exam questions that do not duplicate unit/chapter questions.
- Prevent alternately accessing course materials and course exams. This does not apply if the state allows for "open book" exams.
- Have monitor affidavit containing specific monitor duties and responsibilities printed for monitor's use to direct the taking of the final exam. Monitor will complete the affidavit after the exam is completed. (This only for states that require a monitored exam).
-

Final Assessment (exam) Criteria:

- Minimum of 10 questions for 1 credit hour course with additional 5 questions for each subsequent credit hour and a score of 70% or greater
- At least enough questions to fashion a minimum of 2 versions with a least 50% of questions being new/different in each subsequent version
- Inability to print the exam or to view the exam prior to reviewing material
- Proctor, if required by the state, who verifies identity by photo identification and processes affidavit testifying the student received no outside assistance

Procedures to determine Appropriate Number of Credit Hours:

Word Count/Difficulty Level

- Divide total number of words by 180 (documented average reading time) = number of minutes to read material
- Divide number of minutes by 50 = credit hours
- Course difficulty level is identified by the CE provider on the CER form and should be based on the NAIC CE Standardized Terms-Definitions for basic, intermediate and advanced course difficulty levels.

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- Multiply number of hours by 1.00 for a basic level course; 1.25 for an intermediate level; 1.50 for an advanced course for additional study time = total number of credit hours (fractional hours rounded up if .50 or above and rounded down if .49 or less)

Interactive Course Content

- Elements included in the online course, in addition to text, such as video, animation, interactive exercises, quizzes, case studies, games, and simulations.
- Interactive elements should be applicable to course material and facilitate student learning.
- Only mandatory interactive elements should be included in the calculation of CE credit hours.
- Calculation of CE hour credits should be based on the run time of the interactive elements.
- CE providers will indicate run time of the interactive elements in the course content and upon request provide access to the state for review of the course.

Professional Designation Course

- Course that is part of a nationally recognized professional designation
- Credit hours equivalent to hours assigned to the same classroom course material

Final Assessment

- Time spent completing the final assessment should not be used in calculation of CE credit hours.

Adopted by the PLWG in Mar, 2015

W:\Spring15\TF\PLTF\PLWG\UE\CE - Recommended Guidelines for Online Courses - Clean - Adopted by PLWG 3.29.15.docx

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MARK UP PRE-FILING

RULE 50

CONTINUING EDUCATION FOR PRODUCERS AND ADJUSTERS

~~RULE 50~~

~~CONTINUING EDUCATION FOR PRODUCERS AND ADJUSTERS~~

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SECTIONS

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

APPENDICES

APPENDIX A-1	Course Application for Continuing Education
APPENDIX A-2	Adjuster Continuing Education Course Approval Form
APPENDIX A-3	Annuity Suitability Training Course Approval Form
APPENDIX B	Course Valuation
APPENDIX C	Change in Curriculum or Instructor
APPENDIX D	Application for Approval as Instructor
APPENDIX E	Individual Certificate of Completion (no longer mandated)
APPENDIX F	Request for Exemption
APPENDIX G	Affidavit of Proctor
APPENDIX H	Continuing Education Providers Reporting Roster

SECTION 1. PURPOSE

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The purpose of Rule 50 is to establish requirements and standards for continuing education for natural persons licensed as insurance producers ("producers") and adjusters by the Arkansas Insurance Commissioner (the "Commissioner").

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SECTION 2. AUTHORITY

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This Rule is issued under the authority vested in the Commissioner by Ark. Code Ann. § 23-61-108, and the Arkansas Administrative Procedure Act, codified at Ark. Code Ann. §§ 25-15-201, et seq., and Ark. Code Ann. § 23-64-304(a), as amended by Act 1203 of 2003 and Act 1697 of 2005.

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SECTION 3 EXEMPTIONS

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EXHIBIT 15a

A. This Rule shall not apply to the following individuals:

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1. Individuals holding licenses for which an examination is not required;
2. Company employed adjusters and limited adjusters as defined in Rule and Regulation 68;
3. Any limited or restricted license the Commissioner may exempt;
4. Any individual, licensed as a resident producer prior to July 1, 2003, who is at least sixty (60) years of age;
5. Any individual, licensed as a resident producer prior to July 1, 2003, who has held a license as a producer, insurance 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 producers, non-resident consultants, and/or non-resident adjusterss, unless the home state or designated home state does not have any comparable continuing education requirements;
8. Licensed insurance consultants;
9. Any producer or adjuster called to active duty in any branch of the United States military services including, but not limited to, the United States Coast Guard and Reserves, during the entire period of active duty service;
10. The exceptions contained in Subsections (A)(4) and (5) of this Section are no longer applicable to insurance producers who became resident licensees after July- 1, -2003,- or -insurance producers who have let their Arkansas producer license lapse and have become re-licensed, or to title insurance agents; and
11. Individuals (or an appointed guardian or person with an appropriately worded power of attorney) with grave or debilitating illnesses or injuries may request an extension for no more than twelve (12) months, for completion of the CE hours required for a particular licensing renewal period. The request must be accompanied by a written doctor's statement confirming the medical history and a medical estimate as to how long the individual will be unable to function normally enough to complete the rule requirements. The request from the producer must include his/her mail or electronic mail note that he/she is voluntarily waiving the private or confidential nature of the illness or injury in order to qualify for this extension. With similar documentation, including a signed note from the attending physician and a privacy waiver from and signed by the patient, producers (or the relative's appointed guardian or person with an appropriately worded power of attorney) may also file for an extension due to the terminal or debilitating illness of a grandparent, parent, spouse, sibling, or child. The Commissioner has discretion to grant such time extensions for good cause under Ark. Code Ann. § 23-64-304(b), but only up to one (1) year; and may deny requests from anyone failing, or who has in the past failed, to comply with Arkansas laws or rules, or failed to comply within any extended time period granted by the Commissioner under this subsection.

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SECTION 4. EDUCATIONAL REQUIREMENTS

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A. Number of Course Hours

1. Upon the effective date of this Rule, any non-exempt persons licensed as producers shall, biennially on or before their birthdays, satisfactorily complete a minimum of twenty-four (24) hours of continuing education instruction approved by the Commissioner, which must include at least three (3) hours of ethics in each two year license renewal cycle, if the individual is licensed to sell:

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a. Life insurance;
b. Accident and health or sickness insurance;
c. Property insurance;
d. Casualty insurance;
e. Variable products insurance; or
f. Personal lines insurance.

2. Upon the effective date of this Rule, any person who holds an adjuster license shall satisfactorily complete a minimum of twenty-four (24) hours of continuing education instruction approved by the Commissioner, which must include three (3) hours of ethics in each two year license renewal cycle. This provision shall not apply to:

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a. An adjuster that is licensed in another state;
b. The licensing state requires continuing education; and
c. The adjuster has satisfied the continuing education requirements of the licensing state or designated home state.

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3. If a person is a non-exempt producer required to obtain continuing education under this Section and a licensed adjuster, that person shall be required to meet the continuing education requirements of both licenses.

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4. The continuing education requirements in this section do not apply to title insurance agents. License renewal and continuing education requirements for title insurance agents are governed by Rule 87.

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B. Biennial Licensing Period

1. Effective until January 1, 2011, all initial licensees and all renewal licensees for the above-referenced licensees will continue to be issued on an annual basis, with the continuing education requirements of eight (8) or ten (10) hours due annually.

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2. Effective January 1, 2011, continuing education will be due biennially under the following schedule:

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a. For existing individual licensees born in odd-numbered years, a two-year license will be issued for the 2011 renewal on the licensee's birth date, and renewed biennially thereafter. Twelve hours (12) of continuing education, which must include two hours of ethics, must be completed prior to the licensee's renewal in 2011. Beginning in 2013, the continuing education requirements of twenty-four (24) hours, which must include three (3) hours of ethics, will be due at each two year license renewal cycle based on the licensee's birth date.— The first continuing education requirement of twenty-four (24) hours, which must include three (3) hours of ethics, is due by the expiration/renewal birth date in 2013, and at each subsequent two year license renewal.

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b. For existing individual licensees born in even-numbered years, a one-year license will be issued for the 2011 renewal on the licensee's birth

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date. Resident producers and adjusters will be required to have twelve (12) hours of continuing education, which must include two (2) hours of ethics, due for license renewal in 2012. -Beginning in 2012, these licensees will renew their licenses for a two-year period and renew biennially on their birth date thereafter.- The continuing education requirement of twenty-four (24) hours, which must include three (3) hours of ethics, will be due at the first two year license renewal cycle based on the licensee's birth date in 2014 and biennially on the birth date thereafter.

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c. For- new -individual- licensees- issued in 2011 and subsequent years, license renewal periods will not be based on birth year. The initial license will be issued for a two-year period and renewed biennially on the licensee's birth date thereafter.– The continuing education requirements of twenty-four (24) hours, which must include three (3) hours of ethics, will be due at each two year license renewal cycle.

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d. The continuing education requirements for resident adjusters and for those non-residents who have qualified for an Arkansas Adjuster license by taking the Arkansas adjuster exam will be 24 hours every two years of which 3 hours must be ethics. -The requirement for adjusters to complete continuing education on or before their birthday will start January 1, 2012. –Non-residents who have qualified by being licensed as an adjuster in their home state are exempt from continuing education requirements.

C. Requirements for Continuing Education to Qualify as Distance Learning

1. "Distance Learning" means a classroom educational program in which the licensee and the instructor may be in different physical locations yet interact with each other through various methods of telecommunications, including but not limited to video teleconference or webinar.
2. There shall be five required parts to a Distance Learning Continuing Education course: video imagery, interactivity, written materials, attendance verification, and a technology help line.

   a. The video imagery shall constitute a live continuing education provider or instructor, with interactive abilities, which include, but are not limited to, allowing for attendees to ask real time questions and be assisted by continuing education providers, instructors, or proctors, in real time.
   b. Written materials shall be available in hard copy or in downloadable format and may be projected as part of the video imagery during the course of the Distance Learning presentation.
   c. A technology help line shall be available prior to, during, and after the Distance Learning presentation. This technology help line shall be adequate in staff size to assist attendees within a reasonable amount of time during the course of the Distance Learning presentation.
3. The Distance Learning provider shall be able to verify attendance and shall provide that attendance verification to the Department.
4. A form shall be made available on the Department's License Division website that

shall be executed by the Distance Learning provider and submitted to the Department electronically so that the attendee may receive credit for the Distance Learning course. The form shall be submitted to the Department no later than ten days after attendee completes the Distance Learning course.

D. Course Approval

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:

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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 professional designated program;
5. Any part of the Certified Insurance Counselor Program;
6. Any course offered by Certified Health Consultant;
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 producers' association, insurance trade association, or any independent program of instruction;
10. Any correspondence courses, including, but not limited to, correspondence courses offered via the Internet, subject to the following:

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a. 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. Electronic filings with the Arkansas Insurance Department's License Division ("License Division") are encouraged and permitted;

b. All correspondence course examinations must be proctored or include an attestation or certification to be completed by the licensee verifying that the licensee is the person who is completing the course and exam;

c. Proctors must provide an affidavit attesting under oath or affirmation that the correspondence or electronic course examination was proctored and/or included the attestation or certification required by § 4D(10)(b), 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;

d. Appendix G must accompany the filing of the Appendix H roster-and these must be retained in the providers records. ~~with the License Division.~~ Correspondence course providers shall maintain all records or electronic copies of records on proctors and proctored examinations;

e. Any person with no family or financial relationship to the licensed producer or adjusterss -may proctor an examination under this Rule;

f. Course providers' filings must explain how correspondence course exams will not be duplicated for any two (2) test takers; and

g. Correspondence courses approved and subsequently purchased by the producer or adjuster, prior to the effective date of this Rule, may 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 producer or adjuster 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.

~~D~~E. Course Hour Valuation

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

2. Key Components – Filings must include and clearly demonstrate:

a. Material -that -is -current, -relevant,- accurate, and that includes valid reference materials, graphics and interactivity;

b. Clearly defined objectives and course completion criteria;

c. Specific instructions to register, navigate, and complete the course work.

d. Technical -support/provider -representative -available- during- business hours;

e. Process to authenticate student identity; and

f. Method for measuring the -student's successful completion of -course material and for evaluating the learning experience.

3. Acceptable Procedures to determine Appropriate Number of Credit Hours -

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Select and File one (1) of three (3) Methods below per Course:

a. Method A:

i. 600-700 words (standard font size) = one (1) text page;

ii. Textbooks/workbooks/other printed material – one (1) credit for every fifteen (15) pages;

iii. Three (3) screens with an aggregate total of approximately 600-700 words – one (1) text page;

iv. Forty-five (45) screens – one (1) hour of credit;

v. Divide total screens by forty-five (45) – total number of credit hours;

iv. Multiply number of hours by 1.00 for a basic level course; 1.25 for an intermediate level; 1.50 for an advanced course for additional study time = total number of credit hours (fractional hours rounded up if .50 or above and rounded down if .49 or less).

b. Method B:

i. Divide total number of words by one hundred eighty (180) (documented average reading time) = number of minutes to read material;

ii. Divide number of minutes by fifty (50) = credit hours;

iii. Multiply number of hours by 1.00 for a basic level course; 1.25 for an intermediate level; 1.50 for an advanced course for additional study time = total number of credit hours (fractional hours rounded up if .50 or above and rounded down if .49 or less).

c. Method C:

Oral Presentations: Providers may use the timed outline method for speeches and other oral presentations intended for continuing education credits. Providers should file a detailed description of the proposed subject of the program or course, including a timed course outline, list of any resource materials, and list of speakers or instructors or proctors.

~~E~~F. Certificates and Evidence of CE Completion

Certificates of Completion (see Appendix E) which were issued to producers prior to the effective date of this Rule will be valid for filing with the Commissioner until the expiration date listed on the certificate. Course providers are no longer required to issue Certificates of Completion. Instead, filing of CE completion will be evidenced by the course provider upon filing with the Department either an Appendix G or an Appendix H roster within ten (10) days from the completion of the course of instruction. Upon specific request, course providers may continue to issue Certificates of Completion or other evidence of course completion, but no filing of such is to be made with the Department.

~~F~~G. Course Repetition

Courses may not be repeated within a 2-year period of time.

SECTION 5. COURSE PROVIDER APPROVAL

A. Forms. The following forms are prescribed by the Commissioner and are attached as exhibits to this Rule. All forms are available upon request to the Department or via the Department's web site at:

http://insurance.arkansas.gov/License/forms.htm

APPENDIX A-1 Course Application for Continuing Education
APPENDIX A-2 Adjuster Continuing Education Course Approval Form
APPENDIX A-3 Annuity Suitability Training Course Approval Form
APPENDIX B Course Valuation
APPENDIX C Continuing Education Provider Application
APPENDIX D Application for Instructor Approval
APPENDIX E Individual Certificate of Completion
APPENDIX F Request for Exemption
APPENDIX G Completion of Correspondence Course and Proctor Affidavit
APPENDIX H Continuing Education Providers Reporting Roster, with Instructions

B. Application for approval as a provider shall be submitted to the License Division not less than sixty (60) days prior to the expected use of the program. ~~A provider shall include the following information in duplicate:~~ The Provider shall submit the course filing electronically.

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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.

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2. For Correspondence Course filings, the provider must append Appendix B to the electronic course filing ~~-~~to show the method and calculation of the hours requested for the course.
   For Classroom ~~-~~courses, the provider must append a detailed and timed outline of the course which is being electronically filed with Appendix B .
   For Distance Learning Courses, the provider must append to the electronic filing a~~-~~ detailed, timed outline of the course presentation, ~~-~~and shall state the technological method to verify attendance and completion of the course with Appendix B.. ~~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 or proctor. Additionally, the Commissioner will accept, in lieu of Appendix "A" to this Rule, the most recent edition "Uniform Continuing Education Reciprocity Course Filing Form" published by the National Association of Insurance Commissioners. Similarly, the Commissioner may accept, in lieu of Appendices "B" through "H" to this Rule, the most recent editions of comparable forms published by the National Association of Insurance Commissioners.~~
3. Schedules of classes, seminars and meetings for all locations.

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

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D. Fees and Renewal. The fee for a provider is one hundred dollars ($100.00) annually and is renewed September 1 of each year for one hundred dollars ($100.00). Failure to renew will result in the provider, courses and instruction to become inactive, and the provider must file a new application for approval, as discussed in § 5(B) of this Rule.

SECTION 6. INSTRUCTOR QUALIFICATIONS

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A. An approved instructor teaching any approved course of instruction or lecturing at any approved seminar or meeting shall qualify for ~~one (1) hour~~two (2) hours of credit for each hour ~~presenting~~ presented~~and/or attendance~~.

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B. Instructors ~~-~~must have had specific insurance training or educational experiences

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satisfactory to and approved by the Commissioner in order to be certified to teach any part of any approved course. Each instructor must have two (2) 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 Commissioner. Applicants for approval as an instructor shall complete and submit Appendix "D" to the License Division.

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 for good cause shown in a written request.

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SECTION 7. 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 8. FEES AND COMPLIANCE

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A. For each completed course, an approved course provider shall file with the Commissioner or his/her designee a roster ~~in hard copy or~~ by -electronic ~~form~~ submission as prescribed in Appendix "H". The course provider shall electronically file the ~~Appendix "H"~~attendees roster with the Commissioner in a timely manner, but not later than ten (10) days from the completion of the course of instruction. A vendor is an individual, corporation, or legal entity hired by the Commissioner to facilitate the electronic functions of this Rule. The Commissioner may require providers to submit the course providers' Appendix "H" per course ~~on a hard- copy or an electronic medium~~in electronic form to the Department, or may require the provider to submit information to an outside vendor or other parties contracting with the Commissioner to maintain and update insurance licensees' continuing education data. **If an attendee does not sign the roster provided as Appendix "H", credit will not be granted for the course.** The course provider shall maintain copies of the Appendix "H" Appendix" G" in a format that is subject to review by the Commissioner.

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B. Every person/producer subject to this Rule shall tender a $10 CE filing fee in the manner and at the time as directed by the Commissioner or by a vendor of the Commissioner until the implementation of the biennial renewal period. On or before their birthdate each biennial renewal period, Arkansas resident producers or adjusters who are required to meet continuing education requirements, must pay $20.00 continuing education filing fee in accordance with Rule 57, simultaneously with the other fees required to renew or continue licensure.

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C. Excess educational hours accumulated during any biennial period may be carried forward only to the next biennial period, subject to other limitations in this Rule. Continuing education carried forward to the following calendar year shall expire upon commencement of the second (2nd) biennial period following completion of the hours. Additional Ethic hours will carry over as regular hours and not as ethic education.

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

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SECTION 9. PENALTIES

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

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B. Any licensee fined under Ark. Code Ann. § 23-64-304(d) may request that the Commissioner seal the licensee's records at the Department regarding the fine. The underlying conduct of any licensee whose record has been sealed under Ark. Code Ann. § 23-64-304 shall be deemed as a matter of law never to have occurred, and the licensee is

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not required to disclose the violation on any subsequent application after the records are sealed.

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SECTION 10. SEVERABILITY

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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.

SECTION 11. EFFECTIVE DATE AND APPLICABILITY

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Rule 50 shall be effective on and after ~~September 30, 2010~~ and shall be applicable to those persons licensed to act as an insurance producer, adjuster~~s~~ -or continuing education course provider, instructor or proctor, who must comply with Ark. Code Ann. §§– 23-64-301, et seq., and other laws for continuation of producers' licenses and for the sale of the following types of insurance, as duplicates of or in addition to any listed elsewhere in this Rule:

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A. Life, and/or accident and health insurance,
B. Property and/or casualty insurance, and
C. Personal lines and
D. Adjusters.

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~~(Signed by Jay Bradford)~~
~~JAY BRADFORD~~ALLEN KERR
INSURANCE COMMISSIONER
STATE OF ARKANSAS

~~(9-30-2010)~~
DATE

ARKANSAS INSURANCE DEPARTMENT
Appendix A-1
Producer and Title Agent Continuing Education Course Approval Form

(print in ink or type)

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Provider Name_____Provider #: _____

Contact Person: _____ Contact Phone # _____

Contact Fax #: _____
Contact e-mail Address: _____
Course
Title_____

Will this course open to the public: _____Yes _____No

Course Type: (Select One)
Self Study (complete formula on appendix B)

Correspondence _____
Teleconference _____
~~Webinar~~ _____
Video/Audio/CD/DVD _____

Class Room (attach a timed outline of the class presentation)
Seminar _____

Distance Learning _____

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Special note: Hours awarded for self study course will be based on the formula on Appendix B. All self study courses must have a proctored exam.

Course Field of Study (select only one)

Topic:	**Hours Requested**	**Hours Approved**
_____Accident/Sickness/Health	_____	_____
_____Property/Casualty	_____	_____
_____Life	_____	_____
_____Personal Lines	_____	_____
_____Ethics	_____	_____
_____Annuities	_____	_____
_____Variable Products	_____	_____
_____Flood	_____	_____
_____Workers Compensation	_____	_____
_____Property (only)	_____	_____
_____Casualty (only)	_____	_____
_____Title	_____	_____
_____Title Ethics	_____	_____

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Signature of Provider Representative_____
Date: _____ Provider Representative's Phone Number :_____

Department Use Only:
Approved by: _____
Date: _____

Declined by: _____
Date:_____

Course Number Assigned _____

ARKANSAS INSURANCE DEPARTMENT
Appendix A-2
Adjuster Continuing Education Course Approval Form

(print in ink or type)

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Provider Name_____ Provider #: _____

Contact Person: _____ Contact Phone # _____

Contact Fax #: _____Contact e-mail Address: _____

Course
Title_____

Will this course open to the public: _____Yes _____No

Course Type: (Select One)

Self Study (complete formula on appendix B)
Correspondence _____
Teleconference _____
~~Webinar~~ _____
Video/Audio/CD/DVD _____

Class Room (attach a timed outline of the class presentation)
Seminar _____
Distance Learning _____

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Special note: Hours awarded for self study course will be based on the formula on Appendix B. All self study courses must have a proctored exam.

Course Field of Study (select only one)

Topic:	**Hours Requested**	**Hours Approved**
_____Property/Casualty	_____	_____
_____Ethics	_____	_____
_____Workers Compensation	_____	_____
_____Property (only)	_____	_____
_____Casualty (only)	_____	_____

Signature of Provider Representative_____
Date: _____

Provider Representative's Phone Number _____

Department Use Only:
Approved by: _____ Date:
_____

Declined by: _____
Date:_____

Course Number Assigned _____

ARKANSAS INSURANCE DEPARTMENT
Appendix A-3
Annuity Suitability Training Course Approval Form

(print in ink or type)

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Provider Name_____Provider #: _____

Contact Person: _____Contact Phone # _____

Contact Fax #: _____

Contact e-mail Address: _____

Course
Title_____
Will this course be open to the public: _____Yes _____No

Course Type: (Select One)

Self Study (complete formula on appendix B)
Correspondence _____
Teleconference - _____
~~Webinar~~ _____
Video/Audio/CD/DVD _____

Class Room (attach a timed outline of the class presentation)
Seminar _____

Distance Learning _____

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Special note: Hours awarded for self study course will be based on the formula on Appendix B. All self study courses must have a proctored exam.

Signature of Provider Representative_____
Date: _____

Provider Representative's Phone Number _____

Department Use Only:
Approved by: _____ Date:
_____

Declined by: _____
Date:_____

Course Number Assigned _____

ARKANSAS INSURANCE DEPARTMENT
APPENDIX B
COURSE VALUATION
FOR USE WITH RULE 50

All **Correspondence Courses** must use one of the following formulas to calculate the number of hours for the course: (round up fractional hours if .50 or above)
Correspondence courses include Webinar, teleconference and video/Audio/CD/DVD self study

All **Classroom** courses must have a timed outline of the oral presentation attached to this form.

Formula A:
Textbooks---1 credit for every 15 pages--600-700 words equal one text page
Computer course---3 screens equals 1 text page (aggregate total of 600 to 700 words per screen)
Forty-five (45) screens equal 1 credit hour
Multiply credit hours by 1.00 for basic level course; 1.25 for intermediate level course and 1.50 for advanced course. Total equals number of credit hours.

Formula B:
Divide the total number of words by 180=number of minutes to read material
Divide number of minutes by 50=credit hours
Multiply number of hours by 1.00 for basic level course; 1.25 for intermediate course and 1.50 for advanced course

1. Course Name: _____
2. Method Used for Valuation: Formula A Formula B Classroom
   (Circle One)
3. If using formula A or formula B provide calculation below:

_____

_____

_____

Formula C: If classroom, distantce learning or seminar, -attach a detailed and timed outline of the class or seminar. For distant learning,- a detailed timed -outline of the course and document is the way attendance is verified.

Department Use:
Notes: _____

_____

ARKANSAS INSURANCE DEPARTMENT
APPENDIX C
CONTINUING EDUCATION PROVIDER APPLICATION

Name of Provider: _____

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Address: _____
Street or P.O. Box City State Zip

Phone Number: _____ Fax # _____

Name of Contact Person #1 _____

Contact Person Phone # _____ Fax # _____

Contact Person E-mail: _____

Name of Contact Person #2 _____

Contact Person Phone # _____ Fax # _____

Contact Person E-mail: _____

What other States are you approved as a Provider of Continuing Education:

_____

_____

List Representatives Authorized to Sign Certificates for Provider:

Name	Title	Signature

Type of Courses Provider Will Offer: (check all that apply)

_____ Producer (agent/broker) _____ Title _____ Adjuster

Signed _____

Printed Name _____

Title _____

Dated _____

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*********THIS FORM IS TO BE SUBMITTED WITH A REGISTRATION FEE OF $100*********

For Department Use:
Fee Received: _____ **Check or Route Slip:** _____

Approved by _____ **Date:** _____

Disapproved by _____ **Date:** _____

Page 1 of 2

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Post-Filing Edits

RULE 50
CONTINUING EDUCATION FOR PRODUCERS AND ADJUSTERS

SECTIONS

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

APPENDICES

APPENDIX A-1	Course Application for Continuing Education
APPENDIX A-2	Adjuster Continuing Education Course Approval Form
APPENDIX A-3	Annuity Suitability Training Course Approval Form
APPENDIX B	Course Valuation
APPENDIX C	Change in Curriculum or Instructor
APPENDIX D	Application for Approval as Instructor
APPENDIX E	Individual Certificate of Completion (no longer mandated)
APPENDIX F	Request for Exemption
APPENDIX G	Affidavit of Proctor
APPENDIX H	Continuing Education Providers Reporting Roster

SECTION 1. PURPOSE

The purpose of Rule 50 is to establish requirements and standards for continuing education for natural persons licensed as insurance producers ("producers") and adjusters by the Arkansas Insurance Commissioner (the "Commissioner").

SECTION 2. AUTHORITY

This Rule is issued under the authority vested in the Commissioner by Ark. Code Ann. § 23-61-108, and the Arkansas Administrative Procedure Act, codified at Ark. Code Ann. §§ 25-15-201, et seq., and Ark. Code Ann. § 23-64-304(a), as amended by Act 1203 of 2003 and Act 1697 of 2005.

SECTION 3 EXEMPTIONS

A. This Rule shall not apply to the following individuals:

EXHIBIT
15b

1. Individuals holding licenses for which an examination is not required;
2. Company employed adjusters and limited adjusters as defined in Rule and Regulation 68;
3. Any limited or restricted license the Commissioner may exempt;
4. Any individual, licensed as a resident producer prior to July 1, 2003, who is at least sixty (60) years of age;
5. Any individual, licensed as a resident producer prior to July 1, 2003, who has held a license as a producer, insurance 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 producers, non-resident consultants, and/or non-resident adjusters, unless the home state or designated home state does not have any comparable continuing education requirements;
8. Licensed insurance consultants;
9. Any producer or adjuster called to active duty in any branch of the United States military services including, but not limited to, the United States Coast Guard and Reserves, during the entire period of active duty service;
10. The exceptions contained in Subsections (A)(4) and (5) of this Section are no longer applicable to insurance producers who became resident licensees after July 1, 2003, or insurance producers who have let their Arkansas producer license lapse and have become re-licensed, or to title insurance agents; and
11. Individuals (or an appointed guardian or person with an appropriately worded power of attorney) with grave or debilitating illnesses or injuries may request an extension for no more than twelve (12) months, for completion of the CE hours required for a particular licensing renewal period. The request must be accompanied by a written doctor's statement confirming the medical history and a medical estimate as to how long the individual will be unable to function normally enough to complete the rule requirements. The request from the producer must include his/her mail or electronic mail note that he/she is voluntarily waiving the private or confidential nature of the illness or injury in order to qualify for this extension. With similar documentation, including a signed note from the attending physician and a privacy waiver from and signed by the patient, producers (or the relative's appointed guardian or person with an appropriately worded power of attorney) may also file for an extension due to the terminal or debilitating illness of a grandparent, parent, spouse, sibling, or child. The Commissioner has discretion to grant such time extensions for good cause under Ark. Code Ann. § 23-64-304(b), but only up to one (1) year; and may deny requests from anyone failing, or who has in the past failed, to comply with Arkansas laws or rules, or failed to comply within any extended time period granted by the Commissioner under this subsection.

SECTION 4. EDUCATIONAL REQUIREMENTS

A. Number of Course Hours

1. Upon the effective date of this Rule, any non-exempt persons licensed as producers shall, biennially on or before their birthdays, satisfactorily complete a minimum of twenty-four (24) hours of continuing education instruction approved by the Commissioner, which must include at least three (3) hours of ethics in each two year license renewal cycle, if the individual is licensed to sell:

a. Life insurance;
b. Accident and health or sickness insurance;
c. Property insurance;
d. Casualty insurance;
e. Variable products insurance; or
f. Personal lines insurance.

2. Upon the effective date of this Rule, any person who holds an adjuster license shall satisfactorily complete a minimum of twenty-four (24) hours of continuing education instruction approved by the Commissioner, which must include three (3) hours of ethics in each two year license renewal cycle. This provision shall not apply to:

   a. An adjuster that is licensed in another state;
   b. The licensing state requires continuing education; and
   c. The adjuster has satisfied the continuing education requirements of the licensing state or designated home state.

3. If a person is a non-exempt producer required to obtain continuing education under this Section and a licensed adjuster, that person shall be required to meet the continuing education requirements of both licenses.

4. The continuing education requirements in this section do not apply to title insurance agents. License renewal and continuing education requirements for title insurance agents are governed by Rule 87.

B. Biennial Licensing Period

~~1. Effective until January 1, 2011, all initial licensees and all renewal licensees for the above-referenced licensees will continue to be issued on an annual basis, with the continuing education requirements of eight (8) or ten (10) hours due annually.~~

~~2. Effective January 1, 2011, continuing education will be due biennially under the following schedule:~~

~~a. For existing individual licensees born in odd-numbered years, a two-year license will be issued for the 2011 renewal on the licensee's birth date, and renewed biennially thereafter. Twelve hours (12) of continuing education, which must include two hours of ethics, must be completed prior to the licensee's renewal in 2011. Beginning in 2013, the continuing education requirements of twenty-four (24) hours, which must include three (3) hours of ethics, will be due at each two-year license renewal cycle based on the licensee's birth date. The first continuing education requirement of twenty-four (24) hours, which must include three (3) hours of ethics, is due by the expiration/renewal birth date in 2013, and at each subsequent two year license renewal.~~

~~b. For existing individual licensees born in even-numbered years, a one-year license will be issued for the 2011 renewal on the licensee's birth~~

~~date. Resident producers and adjusters will be required to have twelve (12) hours of continuing education, which must include two (2) hours of ethics, due for license renewal in 2012. Beginning in 2012, these licensees will renew their licenses for a two-year period and renew biennially on their birth date thereafter. The continuing education requirement of twenty-four (24) hours, which must include three (3) hours of ethics, will be due at the first two year license renewal cycle based on the licensee's birth date in 2014 and biennially on the birth date thereafter.~~

~~c. For new individual licensees issued in 2011 and subsequent years, license renewal periods will not be based on birth year. The initial license will be issued for a two-year period and renewed biennially on the licensee's birth date thereafter. The continuing education requirements of twenty-four (24) hours, which must include three (3) hours of ethics, will be due at each two year license renewal cycle.~~

~~d. The continuing education requirements for resident adjusters and for those non-residents who have qualified for an Arkansas Adjuster license by taking the Arkansas adjuster exam will be 24 hours every two years of which 3 hours must be ethics. The requirement for adjusters to complete continuing education on or before their birthday will start January 1, 2012. Non-residents who have qualified by being licensed as an adjuster in their home state are exempt from continuing education requirements.~~

1. The continuing education requirements to licensees subject to this Rule shall be twenty-four (24) hours, which must include three (3) hours of ethics, due before the end of each two (2) year license renewal cycle, timed upon the licensee's date of birth as set forth in Section Six (6) in Arkansas Insurance Department Rule 57, "Insurance Department Administrative and Regulatory Fees."

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C. Requirements for Continuing Education to Qualify as Distance Learning

1. "Distance Learning" means a classroom educational program in which the licensee and the instructor may be in different physical locations yet interact with each other through various methods of telecommunications, including but not limited to video teleconference or webinar.
2. There shall be five required parts to a Distance Learning Continuing Education course: video imagery, interactivity, written materials, attendance verification, and a technology help line.

   a. The video imagery shall constitute a live continuing education provider or instructor, with interactive abilities, which include, but are not limited to, allowing for attendees to ask real time questions and be assisted by continuing education providers, instructors, or proctors, in real time.
   b. Written materials shall be available in hard copy or in downloadable format and may be projected as part of the video imagery during the course of the Distance Learning presentation.

c. A technology help line shall be available prior to, during, and after the Distance Learning presentation. This technology help line shall be adequate in staff size to assist attendees within a reasonable amount of time during the course of the Distance Learning presentation.

3. The Distance Learning provider shall be able to verify attendance and shall provide that attendance verification to the Department.
4. A form shall be made available on the Department's License Division website that shall be executed by the Distance Learning provider and submitted to the Department electronically so that the attendee may receive credit for the Distance Learning course. The form shall be submitted to the Department no later than ten days after attendee completes the Distance Learning course.

D. Course Approval

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 professional designated program;
5. Any part of the Certified Insurance Counselor Program;
6. Any course offered by Certified Health Consultant;
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 producers' association, insurance trade association, or any independent program of instruction;
10. Any correspondence courses, including, but not limited to, correspondence courses offered via the Internet, subject to the following:

    a. 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. Electronic filings with the Arkansas Insurance Department's License Division ("License Division") are encouraged and permitted;
    b. All correspondence course examinations must be proctored or include an attestation or certification to be completed by the licensee verifying that the licensee is the person who is completing the course and exam;
    c. Proctors must provide an affidavit attesting under oath or affirmation that the correspondence or electronic course examination was proctored and/or included the attestation or certification required by § 4D(10)(b), 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;
    d. Appendix G must accompany the filing of the Appendix H roster and these must be retained in the providers records.

Correspondence course providers shall maintain all records or electronic copies of records on proctors and proctored examinations;

e. Any person with no family or financial relationship to the licensed producer or adjusters may proctor an examination under this Rule;

f. Course providers' filings must explain how correspondence course exams will not be duplicated for any two (2) test takers; and

g. Correspondence courses approved and subsequently purchased by the producer or adjuster, prior to the effective date of this Rule, may 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 producer or adjuster 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.

E. Course Hour Valuation

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

2. Key Components – Filings must include and clearly demonstrate:

a. Material that is current, relevant, accurate, and that includes valid reference materials, graphics and interactivity;

b. Clearly defined objectives and course completion criteria;

c. Specific instructions to register, navigate, and complete the course work.

d. Technical support/provider representative available during business hours;

e. Process to authenticate student identity; and

f. Method for measuring the student's successful completion of course material and for evaluating the learning experience.

3. Acceptable Procedures to determine Appropriate Number of Credit Hours - Select and File one (1) of three (3) Methods below per Course:

a. Method A:

ii. Textbooks/workbooks/other printed material – one (1) credit for every fifteen (15) pages;

iii. Three (3) screens with an aggregate total of approximately 600-700 words – one (1) text page;

iv. Forty-five (45) screens – one (1) hour of credit;

v. Divide total screens by forty-five (45) – total number of credit hours;

iv. Multiply number of hours by 1.00 for a basic level course; 1.25 for an intermediate level; 1.50 for an advanced course for additional study time = total number of credit hours (fractional hours rounded up if .50 or above and rounded down if .49 or less).

b. Method B:

i. Divide total number of words by one hundred eighty (180) (documented average reading time) = number of minutes to read material;

ii. Divide number of minutes by fifty (50) = credit hours;

iii. Multiply number of hours by 1.00 for a basic level course; 1.25

for an intermediate level; 1.50 for an advanced course for additional study time = total number of credit hours (fractional hours rounded up if .50 or above and rounded down if .49 or less).

c. Method C:

Oral Presentations: Providers may use the timed outline method for speeches and other oral presentations intended for continuing education credits. Providers should file a detailed description of the proposed subject of the program or course, including a timed course outline, list of any resource materials, and list of speakers or instructors or proctors.

F. Certificates and Evidence of CE Completion

Certificates of Completion (see Appendix E) which were issued to producers prior to the effective date of this Rule will be valid for filing with the Commissioner until the expiration date listed on the certificate. Course providers are no longer required to issue Certificates of Completion. Instead, filing of CE completion will be evidenced by the course provider upon filing with the Department either an Appendix G or an Appendix H roster within ten (10) days from the completion of the course of instruction. Upon specific request, course providers may continue to issue Certificates of Completion or other evidence of course completion, but no filing of such is to be made with the Department.

G. Course Repetition

Courses may not be repeated within a 2-year period of time.

SECTION 5. COURSE PROVIDER APPROVAL

A. Forms. The following forms are prescribed by the Commissioner and are attached as exhibits to this Rule. All forms are available upon request to the Department or via the Department's web site at:

http://insurance.arkansas.gov/License/forms.htm

APPENDIX A-1	Course Application for Continuing Education
APPENDIX A-2	Adjuster Continuing Education Course Approval Form
APPENDIX A-3	Annuity Suitability Training Course Approval Form
APPENDIX B	Course Valuation
APPENDIX C	Continuing Education Provider Application
APPENDIX D	Application for Instructor Approval
APPENDIX E	Individual Certificate of Completion
APPENDIX F	Request for Exemption
APPENDIX G	Completion of Correspondence Course and Proctor Affidavit
APPENDIX H	Continuing Education Providers Reporting Roster, with Instructions

B. Application for approval as a provider shall be submitted to the License Division not less than sixty (60) days prior to the expected use of the program. The Provider shall submit the course filing electronically.

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.
2. For Correspondence Course filings, the provider must append Appendix B to the electronic course filing to show the method and calculation of the hours requested for the course.

For Classroom courses, the provider must append a detailed and timed outline of the course which is being electronically filed with Appendix B .
For Distance Learning Courses, the provider must append to the electronic filing a detailed, timed outline of the course presentation, and shall state the technological method to verify attendance and completion of the course with Appendix B..

3. Schedules of classes, seminars and meetings for all locations.

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

D. Fees and Renewal. The fee for a provider is one hundred dollars ($100.00) annually and is renewed September 1 of each year for one hundred dollars ($100.00). Failure to renew will result in the provider, courses and instruction to become inactive, and the provider must file a new application for approval, as discussed in § 5(B) of this Rule.

SECTION 6. INSTRUCTOR QUALIFICATIONS

A. An approved instructor teaching any approved course of instruction or lecturing at any approved seminar or meeting shall qualify for two (2) hours of credit for each hour presented.

B. Instructors must have had specific insurance training or educational experiences satisfactory to and approved by the Commissioner in order to be certified to teach any part of any approved course. Each instructor must have two (2) 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 Commissioner. Applicants for approval as an instructor shall complete and submit Appendix "D" to the License Division.

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 for good cause shown in a written request.

SECTION 7. 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 8. FEES AND COMPLIANCE

A. For each completed course, an approved course provider shall file with the Commissioner or his/her designee a roster by electronic submission as prescribed in Appendix "H". The course provider shall electronically file the attendees roster with the Commissioner in a timely manner, but not later than ten (10) days from the completion of the course of instruction. A vendor is an individual, corporation, or legal entity hired by the Commissioner to facilitate the electronic functions of this Rule. The Commissioner may require providers to submit the course providers' Appendix "H" per course in electronic form to the Department, or may require the provider to submit information to an outside vendor or other parties contracting with the Commissioner to maintain and update insurance licensees' continuing education data. **If an attendee does not sign the roster provided as Appendix "H", credit will not be granted for the course.** The

course provider shall maintain copies of the Appendix "H" Appendix" G" in a format that is subject to review by the Commissioner.

B. Every person/producer subject to this Rule shall tender a $10 CE filing fee in the manner and at the time as directed by the Commissioner or by a vendor of the Commissioner until the implementation of the biennial renewal period. On or before their birthdate each biennial renewal period, Arkansas resident producers or adjusters who are required to meet continuing education requirements, must pay $20.00 continuing education filing fee in accordance with Rule 57, simultaneously with the other fees required to renew or continue licensure.

C. Excess educational hours accumulated during any biennial period may be carried forward only to the next biennial period, subject to other limitations in this Rule. Continuing education carried forward to the following calendar year shall expire upon commencement of the second (2nd) biennial period following completion of the hours. Additional Ethic hours will carry over as regular hours and not as ethic education.

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

SECTION 9. PENALTIES

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

B. Any licensee fined under Ark. Code Ann. § 23-64-304(d) may request that the Commissioner seal the licensee's records at the Department regarding the fine. The underlying conduct of any licensee whose record has been sealed under Ark. Code Ann. § 23-64-304 shall be deemed as a matter of law never to have occurred, and the licensee is not required to disclose the violation on any subsequent application after the records are sealed.

SECTION 10. 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.

SECTION 11. EFFECTIVE DATE AND APPLICABILITY

Rule 50 shall be effective on and after January 1, 2016 and shall be applicable to those persons licensed to act as an insurance producer, adjuster or continuing education course provider, instructor or proctor, who must comply with Ark. Code Ann. §§ 23-64-301, et seq., and other laws for continuation of producers' licenses and for the sale of the following types of insurance, as duplicates of or in addition to any listed elsewhere in this Rule:

A. Life, and/or accident and health insurance,
B. Property and/or casualty insurance, and
C. Personal lines and
D. Adjusters.

ALLEN KERR
INSURANCE COMMISSIONER
STATE OF ARKANSAS

DATE

ARKANSAS INSURANCE DEPARTMENT
Appendix A-1
Producer and Title Agent Continuing Education Course Approval Form

(print in ink or type)

Provider Name_____Provider #: _____

Contact Person: _____ Contact Phone # _____

Contact Fax #: _____
Contact e-mail Address: _____
Course
Title_____

Will this course open to the public: _____Yes _____No

Course Type: (Select One)
Self Study (complete formula on appendix B)

Correspondence _____
Teleconference _____
Video/Audio/CD/DVD _____
_____

Class Room (attach a timed outline of the class presentation)
Seminar _____

Distance Learning _____

Special note: Hours awarded for self study course will be based on the formula on Appendix B. All self study courses must have a proctored exam.

Course Field of Study (select only one)

Topic:	**Hours Requested**	**Hours Approved**
_____Accident/Sickness/Health	_____	_____
_____Property/Casualty	_____	_____
_____Life	_____	_____
_____Personal Lines	_____	_____
_____Ethics	_____	_____
_____Annuities	_____	_____
_____Variable Products	_____	_____
_____Flood	_____	_____
_____Workers Compensation	_____	_____
_____Property (only)	_____	_____
_____Casualty (only)	_____	_____
_____Title	_____	_____
_____Title Ethics	_____	_____

Signature of Provider Representative_____
Date: _____ Provider Representative's Phone Number :_____

Department Use Only:
Approved by: _____
Date: _____

Declined by: _____
Date:_____

Course Number Assigned _____

ARKANSAS INSURANCE DEPARTMENT
Appendix A-2
Adjuster Continuing Education Course Approval Form

(print in ink or type)

Provider Name_____ Provider #: _____

Contact Person: _____ Contact Phone # _____

Contact Fax #: _____Contact e-mail Address: _____

Course
Title_____

Will this course open to the public: _____Yes _____No

Course Type: (Select One)

Self Study (complete formula on appendix B)
Correspondence _____
Teleconference _____
Video/Audio/CD/DVD _____
_____

Class Room (attach a timed outline of the class presentation)
Seminar _____

Distance Learning _____

Special note: Hours awarded for self study course will be based on the formula on Appendix B. All self study courses must have a proctored exam.

Course Field of Study (select only one)

Topic:	**Hours Requested**	**Hours Approved**
_____Property/Casualty	_____	_____
_____Ethics	_____	_____
_____Workers Compensation	_____	_____
_____Property (only)	_____	_____
_____ Casualty (only)	_____	_____
_____		

Signature of Provider Representative_____
Date: _____

Provider Representative's Phone Number _____

Department Use Only:
Approved by: _____ Date:
_____

Declined by: _____
Date: _____

Course Number Assigned _____

ARKANSAS INSURANCE DEPARTMENT
Appendix A-3
Annuity Suitability Training Course Approval Form

(print in ink or type)

Provider Name_____Provider #: _____

Contact Person: _____Contact Phone # _____

Contact Fax #: _____

Contact e-mail Address: _____

Course
Title_____
Will this course be open to the public: _____Yes _____No

Course Type: (Select One)

Self Study (complete formula on appendix B)
Correspondence _____
Teleconference - _____
Video/Audio/CD/DVD _____
_____

Class Room (attach a timed outline of the class presentation)
Seminar _____

Distance Learning _____

Special note: Hours awarded for self study course will be based on the formula on Appendix B. All self study courses must have a proctored exam.

Signature of Provider Representative_____
Date: _____

Provider Representative's Phone Number _____

Department Use Only:
Approved by: _____ Date:
_____

Declined by: _____
Date:_____

Course Number Assigned _____

ARKANSAS INSURANCE DEPARTMENT
APPENDIX B
COURSE VALUATION
FOR USE WITH RULE 50

All **Correspondence Courses** must use one of the following formulas to calculate the number of hours for the course: (round up fractional hours if .50 or above)
Correspondence courses include Webinar, teleconference and video/Audio/CD/DVD self study

All **Classroom** courses must have a timed outline of the oral presentation attached to this form.

Formula A:
Textbooks---1 credit for every 15 pages--600-700 words equal one text page
Computer course---3 screens equals 1 text page (aggregate total of 600 to 700 words per screen)
Forty-five (45) screens equal 1 credit hour
Multiply credit hours by 1.00 for basic level course; 1.25 for intermediate level course and 1.50 for advanced course. Total equals number of credit hours.

Formula B:
Divide the total number of words by 180=number of minutes to read material
Divide number of minutes by 50=credit hours
Multiply number of hours by 1.00 for basic level course; 1.25 for intermediate course and 1.50 for advanced course

1. Course Name: _____
2. Method Used for Valuation: Formula A Formula B Classroom
   (Circle One)
3. If using formula A or formula B provide calculation below:

_____

_____

_____

Formula C: If classroom, distance learning or seminar, attach a detailed and timed outline of the class or seminar. For distant learning, a detailed timed outline of the course and document is the way attendance is verified.

Department Use:
Notes: _____

_____

ARKANSAS INSURANCE DEPARTMENT
APPENDIX C
CONTINUING EDUCATION PROVIDER APPLICATION

Name of Provider: _____

Address: _____
Street or P.O. Box City State Zip

Phone Number: _____ Fax # _____

Name of Contact Person #1 _____

Contact Person Phone # _____ Fax # _____

Contact Person E-mail: _____

Name of Contact Person #2 _____

Contact Person Phone # _____ Fax # _____

Contact Person E-mail: _____

What other States are you approved as a Provider of Continuing Education:

_____

_____

List Representatives Authorized to Sign Certificates for Provider:

Name	Title	Signature

Type of Courses Provider Will Offer: (check all that apply)

_____ Producer (agent/broker) _____ Title _____ Adjuster

Signed _____

Printed Name _____

Title _____

Dated _____

*********THIS FORM IS TO BE SUBMITTED WITH A REGISTRATION FEE OF $100*********

For Department Use:
Fee Received: _____ **Check or Route Slip:** _____

Approved by _____ **Date:** _____

Disapproved by _____ **Date:** _____

ARKANSAS INSURANCE DEPARTMENT
APPENDIX D
APPLICATION FOR INSTRUCTOR APPROVAL
FOR USE WITH RULE 50

Provider Name: _____ Provider # _____

Contact Person _____ Phone # _____

Instructor Information

1. Applicant Name

_____

2. Applicant's Contact Address:

_____
Street or P.O. Box City, State Zip

3. Applicant's Phone # _____ Applicant's Fax Number _____
4. Applicant's e-mail address _____

Qualifications of Instructor:

The applicant can attach a Resume or Curriculum Vitae.

5. Summarize all prior insurance experience which totals 2 or more years. (Attach additional sheets if necessary). If you do not have insurance experience—enter N/A

_____

_____

6. Please summarize insurance education, including but not limited to college or university insurance course hours. Include any professional designations or number of hours obtained toward professional designation.

_____

_____

7. List all current resident and non-resident insurance licenses you currently hold. List the
State of issue, License Type and License#. _____

_____

8. Have you ever been involved in an administrative proceeding regarding any professional license?
____Yes ___No If yes attach full detailed statement and copies of official documents.

Course of Instruction

9. What type courses of instruction do you propose to serve as instructor?

_____

_____

I hereby certify that, under penalty of perjury, all the information submitted in this application and attachments is true and complete.

_____ _____
Signature Date

Department Use Only
Approved by _____ Date _____
Disapproved by _____ Date _____

ARKANSAS INSURANCE DEPARTMENT

APPENDIX E
INDIVIDUAL CERTIFICATE OF COMPLETION
FOR USE WITH RULE 50

_____ _____
Producer Name (Type or Print) Arkansas License Number(s)

_____
Street Address City State Zip Code

I, _____,
Authorized Representative (Type or Print)

of _____,
Course Provider

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

Course Title _____

Number of Credit Hours Earned _____ Course Number_____

Date of Course Completion _____

This course has been approved by the Arkansas Department of Insurance pursuant to Rule 50.

_____ _____
Date Signature of Authorized Representative

_____ _____
Date Signature of Producer

THIS FORM MAY BE PROVIDED TO THE PRODUCER UPON COMPLETION OF THE COURSE IF REQUESTED BY THE PRODUCER.

ARKANSAS INSURANCE DEPARTMENT

APPENDIX F REQUEST FOR EXEMPTION FOR USE WITH RULE 50

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

Under Arkansas Code §23-64-302(3) and (4) as amended, I held an Arkansas producer license before July 1, 2003, and now am requesting the following exemption(s) Continuing Education Hours:

_____ 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, producer for a period of fifteen (15) consecutive years. Date first licensed _____

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)
_____	_____
Arkansas License Number(s)	Street Address
_____	_____
Telephone Number	City, State, Zip

E-MAIL ADDRESS: _____

Subscribed and sworn to or affirmed before me a notary public in and for the State of _____ on this _____ day of _____, 20____.

(Notary seal)

_____
Notary Public

My Commission expires
_____

ARKANSAS INSURANCE DEPARTMENT
APPENDIX G
CORRESPONDENCE COURSE
CERTIFICATION OF COMPLETION AND PROCTOR AFFIDAVIT
FOR USE WITH RULE 50

All Correspondence Courses must have a proctored exam to be valid. Form must be typed or printed.

LICENSEE'S INFORMATION
Name of Licensee: _____
Licensee's's License # _____
Resident Address: _____
Street or P.O. Box City or State Zip
Business Phone # _____
Producer Signature _____ Date _____

PROCTOR INFORMATION:
Proctors Name: Proctors _____
Address: Proctors Phone _____
Number: _____
Proctors Driver's License # _____ State of Issue _____
Start Time of Exam _____ End Time of Exam _____
Date of Completion of Examination _____
Location of Examination _____

ATTESTATION:
I do hereby solemnly attest that I proctored the above correspondence examination provided to the above name licensee and that the examination was provided as instructed by the Course Provider. I assure the Commissioner that no attendee 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, and I have no special interest to ensure the licensee passes the examination. I understand that this affidavit is provided under oath or affirmation, and that false information shall be grounds for possible Arkansas Insurance Code or Rule penalties.

_____ _____
Signature of Proctor Date

Once Licensee has tested and Proctor has completed form—Provider completes and sends to Department

CONTINUING EDUCATION PROVIDER INFORMATION (Completed by Provider only)
Course Name _____ Course # _____
Provider Name _____ Provider's # _____

Signature of Provider Responsible Contact
Date:

Instructions:
This completed form is to be returned to the Provider of the Course. No credit for the course will be given until the Provider has received this document. The Provider will provide a copy of this form to the Insurance Department by electronic media.

APPENDIX H
CONTINUING EDUCATION PROVIDERS
REPORTING ROSTER OF CONTINUING EDUCATION COMPLETION
FOR USE WITH RULE 50

1. Provider Name _____ 2. Provider Number _____
3. Provider Contact Name _____ 4. Phone Number _____
5 Date of Roster Submission 6. CE Course Title

National Producer Number	[8] Name of Licensee Printed Name(use full legal name)	[9] Signature of Licensee	[10] Date of Completion	[11] Course Number	[12] Credit hrs

ARKANSAS INSURANCE DEPARTMENT
1200 WEST THIRD STREET
LITTLE ROCK AR 72201
PHONE: 501-371-2750

Instructions for Appendix H
Continuing Education Providers Reporting Roster
For Use with Rule 50

Complete Items 1-12.

1. Provider Name---complete name of CE course provider
2. Provider Number---the number assigned to the provider by the Insurance Department
3. Provider Contact Name---the individual staff should contact for questions on the form
4. Phone Number---the provider's number staff should call for questions on the form
5. Date of Roster Submission---date the form is being sent to the Insurance Department; but in any event no later than twenty (20) days after the completion of the course
6. Course Title---the name of the course taken by the licensee
7. National Producer Number (NPN)--- licensee's number assigned by the Department
8. Name of licensee --print the name of the producer (full legal name)
9. Signature of licensee --the licensee must sign the roster, Appendix H
10. Date of completion---the date the course was completed by the licensee
11. Course Number---the number assigned by the Department to the course
12. Credit Hours---the hours credited for completion of the course when approved by the Department

If you should have any questions regarding this form, please contact the Department License Division at 501-371-2750; or email insurance.license@arkansas.gov.

Arkansas Insurance Department

Asa Hutchinson
Governor

Allen Kerr
Commissioner

August 25, 2015

Justin Tate
Office of the Governor
State Capitol Building
Little Rock, AR 72201

Via Electronic Mail

RE: Arkansas Insurance Department Rule 50, "Continuing Education for Producers and Adjusters"

Dear Mr. Tate:

Enclosed for your review is the Arkansas Insurance Department's proposed Amended Rule 50 "Continuing Education for Producers and Adjusters." The Arkansas Insurance Department ("Department") is proposing to amend Rule 50 to permit continuing education by distance learning, provide additional continuing education to a licensee who teaches a continuing education course, and instruct course providers to submit required forms electronically.

The Department has scheduled a public hearing for September 30, 2015, at 10:00 A.M., at our office in the first floor Hearing Room, to consider adopting this proposed amended Rule.

Please do not hesitate to contact me at (501) 371-2841 or amanda.andrews@arkansas.gov if you have any questions.

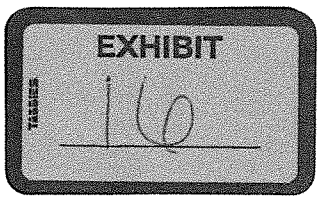
Sincerely,

Amanda J. Andrews

Amanda J. Andrews
Associate Counsel

cc: LoRraine Rowland, Administrative Analyst

encl.



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Amanda Andrews

From: Amanda Andrews
Sent: Tuesday, August 25, 2015 10:44 AM
To: Justin Tate (Justin.Tate@governor.arkansas.gov)
Subject: Proposed Amended Rule 50
Attachments: doc01861320150825102041.pdf

Justin,

Please see attached correspondence.

Amanda J. Andrews
Associate Counsel, Legal Division
Arkansas Insurance Department
1200 West 3rd Street
Little Rock, AR 72201
Office: (501) 371-2841
Facsimile: (501) 371-2639
amanda.andrews@arkansas.gov

-----Original Message-----
From: donotreply@arkins.com [mailto:donotreply@arkins.com]
Sent: Tuesday, August 25, 2015 10:21 AM
To: Amanda Andrews
Subject:

CS 8000i
[00:c0:ee:a5:df:74]

HEARING

IN THE MATTER OF

PROPOSED AMENDED RULE 50
"CONTINUING EDUCATION FOR
PRODUCERS AND ADJUSTERS"

HONORABLE SUZANNE TIPTON
GENERAL COUNSEL, DEPUTY COMMISSIONER
& HEARING OFFICER
ARKANSAS INSURANCE DEPARTMENT

HEARING PROCEEDINGS

SEPTEMBER 30, 2015

at 9:00 A.M.

APPEARANCES

ON BEHALF OF THE ARKANSAS INSURANCE DEPARTMENT:

MR. BOOTH RAND
ARKANSAS INSURANCE DEPARTMENT
1200 WEST THIRD STREET
LITTLE ROCK, ARKANSAS 72201-1904

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ORIGINAL

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CAPTION

PROCEEDINGS in the above-styled and numbered cause on the 30th day of September, 2015, before Faith Grigsby, Arkansas Supreme Court Certified Court Reporter #686, at 9:00 a.m., in the Hearing Room of the Arkansas Insurance Department, 1200 West Third Street, Little Rock, Arkansas, pursuant to the agreement hereinafter set forth.

* * * * * * * * * *

PROCEEDINGS

SEPTEMBER 30, 2015

HEARING OFFICER: Today is September 30, 2015, and we're here in the matter of Proposed Amended Rule 50, Continuing Education for Producers and Adjusters. My name is Suzanne Tipton, General Counsel for the Insurance Department, and Commissioner Kerr has appointed me to be the hearing officer in this matter. Present representing the Department is Mr. Booth Rand and Mr. Gray Turner.

Y'all may proceed.

MR. RAND: Thank you, Ms. Hearing Officer. Today, we have Proposed Rule 50. Rule 50 is an existing Rule. We have some amendments that we would propose the Commissioner to accept. I have some items I would like to explain all at one time and then ask to move all those into the administrative record, if that's okay with the Hearing Officer.

HEARING OFFICER: That would be fine.

MR. RAND: Exhibit Number 1 is the designation of hearing officer. I believe originally the Commissioner had Mr. Galbraith as hearing officer, but due to conflicts, I

1 believe you were appointed, and I would ask
2 that we keep the record open for a day or two
3 after the hearing to get the correct
4 designation of hearing officer for Ms. Tipton.
5 So Exhibit 1 will be replaced with another
6 exhibit that has you as the designated hearing
7 officer.
8 Exhibit 2 is our Notice of Public Hearing.
9 As you know, Ms. Hearing Officer, we are
10 required under the APA to provide public notice
11 to the public about rules that we promulgate,
12 providing dates and time, and describing the
13 subject matter. That is a copy of the issued
14 NOPH, or Notice of Public Hearing, that we
15 issued on the Proposed Amendments to Rule 50.
16 Exhibit 3 is a copy of the filed Rule 50
17 that we filed with the Bureau of Legislative
18 Research and Arkansas Legislative Council.
19 Exhibit 4 is a cover letter copy to the
20 Arkansas Democrat Gazette in which we attached,
21 behind the cover letter, a Notice of Public
22 Hearing language advising the public when we're
23 going to have a hearing pursuant to the
24 proposed amendments.
25 In the back of Exhibit 4 there is a copy of

1 language we want the newspaper to run for three
2 days, providing the dates and time of the
3 hearing and description of the subject matter
4 of the hearing. In that Exhibit 4 also is the
5 e-mail correspondence back and forth between
6 the Legal Ads Department of the Arkansas
7 Democrat Gazette and our Legal Division
8 explaining that we need the publication to run
9 in the Democrat Gazette.
10 Exhibit 5 is a copy of the billing for the
11 newspaper explaining and showing when the
12 newspaper ad of public notice ran. As you
13 know, Ms. Hearing Officer, under the APA, we
14 have to run notification or notice for three
15 days straight, continuously, and the billing
16 copy here indicates in Exhibit 5 that it ran
17 August 27th, August 28th and August 29th.
18 Ms. Hearing Officer, the next page in
19 Exhibit 5 will show on the right-hand side a
20 copy of what actually was run in the newspaper
21 ad in the back. It's at the very back of the
22 newspaper, as most rule-making hearing notices
23 are. That was a copy of what was run.
24 Exhibit 6, as you know, under the APA, for
25 persons who were interested in receiving

1 information about rule making proposals and
2 notices of hearings and matters or activities
3 that we are engaged in with rule making, they
4 can sign up with our Legal Division contact and
5 receive notice of those bulletins or proposed
6 rules. Exhibit 6 is a copy of an e-mail blast
7 that was sent out by the Legal Division to all
8 the interested licensees and insurance
9 companies who have signed up to receive public
10 notice about rule making. This was a blast of
11 Rule 50 and the Notice of Public Hearing linked
12 the Proposed Amendments to Rule 50.
13 Exhibit 7 is -- as you know, Ms. Hearing
14 Officer, we have to file a number of documents
15 with the Bureau of Legislative Research, and
16 Exhibit 7 is the cover letter that was sent to
17 Ms. Davis at Legislative Council.
18 Which attached with that, the next exhibit,
19 Exhibit 8, which is a questionnaire from the
20 Bureau of Legislative Research. And
21 Legislative Council requires that you answer
22 questions about the need for the rule, the
23 basis of the law that allows the rule to be
24 promulgated, whether it's an emergency rule,
25 describe the benefits and the purpose of the

1 rule, and so forth. We fill this out. That's
2 Exhibit 8. In Exhibit 8 also is a Financial
3 Impact Statement. We do not believe there is
4 any physical impact, and stated that in the
5 physical impact statement in that exhibit.
6 Exhibit 9 is a copy of another form we have
7 to also fill out with the questionnaire. It's
8 another separate Economic Impact Statement. I
9 believe, statutorily, agencies are required to
10 fill this out to explain the impact, if any, on
11 small employers, small businesses. We do not
12 believe there is an impact. However, we did
13 fill that out as Exhibit 9.
14 Exhibit 10 is a summary that describes in a
15 real simple, quick manner what the rule is
16 proposing to do, what the purpose of the rule
17 is, and just a general manner, what we propose
18 to change and what some of the issues are.
19 Exhibit 11 is -- we're getting into the
20 point of the notebook where we're going into
21 courtesy notices. Exhibit 11 -- as you know,
22 Ms. Hearing officer, we provide courtesy notice
23 of rules that we're proposing to promulgate to
24 the Attorney General's Office. That's Exhibit
25 11.

1 Exhibit 12 is copies of the rules that we
2 file with the Secretary of State. This is a
3 copy of what we filed with them. Exhibit 13 is
4 -- we have to give courtesy copy notice of the
5 rule with the Economic Development Commission,
6 and we sent a letter to Pat Brown with a copy
7 of the rule asking for any comments they have
8 to the rule, as they might impact small
9 businesses. We don't, again, believe there is
10 any impact.
11 Exhibit 14, this is an area that we
12 dedicate toward public comments that we receive
13 related to the proposed rule or proposed
14 amendments. We only received, Ms. Hearing
15 Officer, one comment from a Ms. Cindy Davidson
16 of ExamFX. They do pre-licensing and CE. She
17 has made some comments and we'll talk about her
18 comments after I explain the rule.
19 Exhibit 15 are the -- they're supposed to
20 be a markup we had done to the rule before we
21 filed the rule. For currently existing rules,
22 we do a markup of what the filed amendments are
23 changing to the existing rule. Exhibit 15 has
24 both the pre-filing amendments as well as the
25 post-filing amendments. The post-filing

1 amendments are changes that we have made to the
2 filed rule that we may have done in response to
3 public comments that we've already received to
4 the filing. And I have a copy of that, and I
5 will go through those edits after I explain the
6 rule.
7 This is the items that we have in the
8 notebook and we would move to admit those into
9 the administrative record at this time.
10 HEARING OFFICER: Exhibits 2 through 16
11 will be admitted into the record. Exhibit 1
12 will be admitted, but left open for replacement
13 to update the hearing officer.
14 (WHEREUPON, Exhibits Number 1 through 16
15 were marked for identification and are attached
16 hereto.)
17 MR. RAND: Thank you, Ms. Hearing Officer.
18 We are proposing -- explanation of the
19 amendments to Rule 50. The primary changes to
20 Rule 50 are in Section 4C. We are adding a new
21 section of 4C to permit continuing education
22 for producers to be accomplished by distance
23 learning. Essentially, these are webinars.
24 These are electronic, visually displayed
25 methods of telecommunications in which there is

1 a provider who uses video imagery,
2 interactivity with, also, written materials
3 available for online communication.
4 The new Section "C" allows producers to
5 obtain CE through webinars, through distance
6 learning. So we feel like this is a good idea,
7 and we've adopted some requirements in Section
8 "C". Essentially, the distance learning
9 continuing education course has to contain
10 video imagery. It's got to be interactive.
11 It's got to have written materials. It's got
12 to have attendance verification, and it's got
13 to have a help line.
14 In addition to that, the online distance
15 learning provider has to be able to verify
16 attendance and provide an attendance
17 verification to the Department. As the rule
18 explains in Section "C", we have a form
19 available on the website that the provider in
20 distance learning or through telecommunications
21 or online CE has to be submitted to the
22 Department so that the producer can obtain CE
23 credit. The Department has to be sent the form
24 no later than ten days after the attendee
25 completes the distance learning course.

1 That is the most significant change that
2 we've amended to Rule 50. There are other
3 changes, and I will go through those as well.
4 The changes that are also made, if the Hearing
5 Officer will look at the markup in, I believe
6 it is, Exhibit 15. There is a markup exhibit
7 of all of the proposed changes that were made
8 to the rule here, and I'll go through those if
9 you want me to.
10 There's an amendment to Page 3 on a
11 reference to exemptions, I believe, to
12 continuing education. Non-resident producers
13 are exempt from CE, and non-resident
14 consultants, unless the home state does not
15 have a comparable CE requirement. We added,
16 after the word "home state", or designated home
17 state. This is just cleanup language that is
18 being made to the rule, that has nothing to do
19 with distance learning or telecommunications or
20 online CE.
21 Page 4, Section 4.A.2., again, it looks
22 like the Licensing Division wants to make sure
23 that when we refer to their licensing state, we
24 also include the phrase "or designated home
25 state".

1 The other cleanup is on Page 7, Section
2 4.b. related to course approval. The original
3 language of the rule under that section
4 required for correspondence course
5 examinations, that they must be proctored, and
6 we added this phrase, "or include an
7 attestation or certification to be completed by
8 the licensee verifying that the licensee is the
9 person who is completing the course and exam."
10 Apparently, the License Division needed some
11 better certification.
12 The same thing right below it, in c., they
13 added that they want to be sent an attestation
14 or certification, again, I think, just to
15 verify the person is who they say they are, and
16 they have been there and have received the CE.
17 The same section there is a reference to an
18 Appendix G, and that must accompany the roster,
19 and the License Division wanted us to add the
20 phrase that the providers have to retain these
21 records.
22 Other cleanup language is in Section 5,
23 under course provider approval, Section 5.B.,
24 we added in 5.B.2. the statement or sentence --
25 I'm not going to read it but, essentially, it's

1 referring to correspondence course filings.
2 The License Division requested that we add or
3 require the provider to append Appendix B to
4 the electronic course filing to show the method
5 and calculation of the hours requested, and
6 also append a detailed timed outline that is
7 being electronically filed with Appendix B. So
8 apparently, these are needed clarifications by
9 the License Division. Again, cleanup without
10 regard to distance learning.
11 Let me explain another cleanup language
12 addition to the originally filed Rule Section
13 5.D. We had some discussion on it this morning
14 related to fees and renewal. We have added
15 into 5.D. the statement that the fee for a
16 provider -- we're talking about a continuing
17 education provider -- is $100 annually and is
18 renewed September 1 of each year for $100, and
19 the failure to renew will result in the
20 provider becoming inactive, and then they have
21 to file a new application for approval.
22 So the question I had this morning, Ms.
23 Hearing Officer, was where we got the fee,
24 because I know that the Bureau of Legislative
25 Research and Legislative Council are interested

1 in statutory attachment points to fees. It's
2 my understanding that this $100 fee already
3 exists in Rule 57 for CE providers. And then
4 Rule 57 does have a statute that allows the
5 Commissioner to impose a fee for these kinds of
6 things that go on.
7 So I do not know why the License Division
8 wanted to add this over into 50, but it's
9 already in 57, and they're not increasing the
10 fee. It's still $100. Maybe just to have it
11 where everybody's looking at CE, so that if a
12 CE provider needs to know what sort of
13 requirements they have, they can also see here
14 what the annual fees are that they have to pay,
15 and don't have to go over to that 45-page long
16 Rule 57 that we've got.
17 Section 8, more cleanup language. I'm not
18 going to go through each one of these commas
19 and stuff, but it looks like we are requiring
20 electronic fee filings and filings and not hard
21 copy. So that is what some of the changes are
22 in Section 8, permitting electronic filing.
23 The other change -- those are the changes that
24 were made to the existing rule when we filed
25 this rule.

1 So now let me go to the changes that we
2 proposed after we filed the rule, and those are
3 changes that we looked at in the last week or
4 so, post-filing edits. We've had some
5 discussion with making it more simple for
6 people to understand the two year biannual CE
7 requirement, and if you will go to the post-
8 filing edits section in Exhibit 15. Under the
9 post-filing edits, these are changes that we
10 made to the rule after we filed this.
11 Under Section 4.B.1. through 2.d., we
12 proposed and then ask the Commissioner and the
13 Hearing Officer to consider just striking it.
14 The complicated language related to staggered
15 birth dates based upon odd numbered years or
16 even numbered years is there because we were
17 trying to time that with the actual
18 promulgation of this rule on the first year, so
19 that everybody could sort of get into a rhythm
20 of having CE every two years, but we didn't
21 want the first year people to have to get all
22 these hours in right before their birthday.
23 So we don't have to deal with that anymore,
24 in my opinion; it's 2015. So I propose that we
25 strike in 4.B.1. through 2.d. and just say

1 this, that the continuing education
2 requirements to licensees subject to this Rule
3 shall be 24 hours, which shall include three
4 hours of ethics, due before the end of each two
5 year license renewal, timed upon licensee's
6 date of birth, as set forth in Section 6 of the
7 Insurance Department's Rule 57.
8 And I sent my proposed language to the
9 License Division and to our attorney that does
10 licensing, and everybody thinks that is going
11 to work. I wrote that in there because I,
12 myself, was confused on what I'm supposed to do
13 if I were a producer. I think that simplifies
14 it.
15 The other post-filing edit, Ms. Hearing
16 Officer, that I did was the filed Rule did not,
17 in Section 11, have an effectively written --
18 it didn't say when the effective date was, and
19 so we propose to make this proposed Rule and
20 amendments effective January 1, 2016.
21 And the Commissioner and I spoke about this
22 that there are some technological adjustments
23 that we have to make that make that required.
24 So although we could get this Rule out maybe a
25 month earlier, we really need the time to make

1 the effective date effective 1/1/2016.
2 That is my explanation of the proposed
3 amendments and post-filing edits that we made.
4 The public comment, we can talk about that,
5 which is in Exhibit 14. I'm not going to read
6 Ms. Davidson's comment, but I will tell you, I
7 agree with every one of her comments.
8 Her basic gist is, you've got language in
9 these cleanup sections, not necessarily
10 referencing distance learning, that do not jive
11 with the forms that are attached to the Rule.
12 She advises us correcting those or striking
13 that.
14 I think what we're going to do -- what we
15 need to do is keep the record open today -- I
16 would advise keeping the record open for 20
17 days and allow us to correct these forms that
18 were attached to the Rule to make them
19 consistent with the cleanup language that I
20 explained just a minute ago throughout the
21 Rule.
22 Ms. Davidson noticed that, for example,
23 under Section 4 we included the phrase, on
24 correspondence courses, they have to be
25 proctored. We added the phrase, or include an

1 attestation or certification from the licensee
2 verifying that they were the ones who were
3 there and were taking the course. She shows
4 that Appendix G doesn't even say anything about
5 that, so I agree with her on that. We need to
6 correct the form.
7 And we advise keeping the record open for
8 20 days to make some of these adjustments for
9 her. That's all I've got and I'll just stop
10 talking.
11 HEARING OFFICER: Would anyone present like
12 to make a comment?
13 (No audible response given)
14 HEARING OFFICER: If there are no comments,
15 then I will take Mr. Rand's recommendation to
16 keep the record open for 20 days to look at
17 fixing any corrections that are needed pursuant
18 to the public comment regarding the forms that
19 are attached with the Rule. We will also,
20 again, replace the hearing officer appointment
21 with the correct name in there.
22 Is there any other reason we're leaving
23 this open?
24 MR. RAND: No, Ms. Hearing Officer.
25 HEARING OFFICER: Are we leaving it open

for additional comments from outside?

MR. RAND: No, we are not, but we're flexible. If somebody's late this morning, I can look at it this morning. I would say, no. I think we've got enough work to do on keeping it open on just these corrections.

HEARING OFFICER: Then we will keep everything open for those two reasons. If he does receive any more comments this morning, we'll take a look at them. Other than that, the comment period for this Rule is closed. The hearing is adjourned.

(WHEREUPON, the proceedings were concluded in this matter at 9:25 a.m.)

* * * * * * * * * *

CERTIFICATE

STATE OF ARKANSAS)
)ss
COUNTY OF PULASKI)

I, Faith Grigsby, CCR, Certified Stenomask Reporter before whom the foregoing testimony was taken, do hereby certify that the witness was duly sworn by me; that the testimony of said witness was taken by me and was thereafter reduced to typewritten form under my supervision; that the deposition is a true and correct record of the testimony given by said witness; that I am neither counsel for, related to, nor employed by the parties to the action in which this deposition was taken, and further, that I am not a relative or employee of any attorney or counsel employed by the parties hereto, nor financially interested in the outcome of this action.

I FURTHER CERTIFY, that I have no contract with the parties within this action that affects or has a substantial tendency to affect impartiality, that requires me to relinquish control of an original deposition transcript or copies of the transcript before it is certified and delivered to the custodial attorney, or that requires me to provide any service not made available to all parties to the action.

WITNESS MY HAND AND SEAL this 12th day of October, 2015.

ARKANSAS SUPREME COURT CERTIFIED COURT REPORTER FAITH GRIGSBY No. 686

FAITH GRIGSBY
Arkansas State Supreme Court
Certified Court Reporter #686

EXHIBIT LIST

DATE: September 30, 2015

SUBJECT: Proposed Amended Rule 50
"Continuing Education for Producers and Adjusters"

HEARING OFFICER: Russ Galbraith
Chief Deputy Commissioner

Exhibit No.	Description
1.	Designation of Hearing Officer
2.	Notice of Public Hearing
3.	Initially Filed Proposed Rule
4.	Copy of Letter to Arkansas Democrat-Gazette requesting Newspaper notice
5.	Copy of Statement of Legal Advertising and Ad Copy by Arkansas Democrat-Gazette
6.	Copy of electronic mail distribution of Notice of Public Hearing to interested persons
7.	Copy of Bureau of Legislative Research Cover Letter
8.	Copy of Legislative Council Questionnaire
9.	Copy of Economic Impact Statement
10.	Rule Summary for Bureau of Legislative Research
11.	Courtesy Notice to Attorney General's office
12.	Copy of Arkansas Insurance Department's letter filing proposed Rule with Secretary of State
13.	Courtesy Notice to Economic Development Commission

14. Public Comments Section (Open Folder)

15. Proposed Arkansas Insurance Department Edits and Markup to Initially Filed Proposed Rule (if any)

16. Courtesy Notice to Office of the Governor

Arkansas Insurance Department

Mike Beebe
Governor

Jay Bradford
Commissioner

DESIGNATION OF HEARING OFFICER

DATE: September 30, 2015

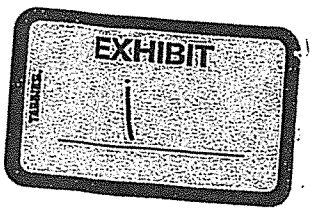
SUBJECT: PROPOSED AMENDED RULE 50

HEARING OFFICER: SUZANNE TIPTON
GENERAL COUNSEL/ DEPUTY COMMISSIONER

Pursuant to Arkansas Code Annotated § 23-61-103(e)(1), I hereby delegate Suzanne Tipton, General Counsel/Deputy Commissioner, to serve as the Hearing Officer in the above-referenced matter. Pursuant to this Designation, Ms. Tipton will have at her disposal all of the powers and duties vested in the office of the Commissioner of Insurance for the State of Arkansas.

ALLEN KERR
INSURANCE COMMISSIONER
STATE OF ARKANSAS

9/30/15
Date



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Arkansas Insurance Department

Asa Hutchinson
Governor

Allen Kerr
Commissioner

DATE: AUGUST 25, 2015

TO: AUTHORIZED INSURANCE COMPANIES, HMO'S, HOSPITAL/MEDICAL SERVICE CORPORATIONS, FARMERS' MUTUAL AID ASSOCIATIONS AND INSURER AND AGENT TRADE ASSOCIATIONS

FROM: ARKANSAS INSURANCE DEPARTMENT

SUBJECT: RULE 50, "CONTINUING EDUCATION FOR PRODUCERS AND ADJUSTERS"

NOTICE OF PUBLIC HEARING

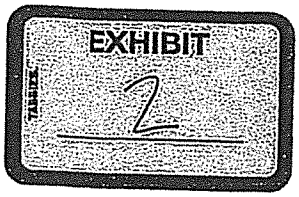
Please find attached or available by electronic publication by the Arkansas Insurance Department ("Department") Proposed Amended Rule 50, "Continuing Education for Producers and Adjusters." The Arkansas Insurance Commissioner ("Commissioner") is proposing to permit continuing education by distance learning, provide additional continuing education for a licensee who teaches a continuing education course, and instruct course providers to submit required forms electronically.

Pursuant to Arkansas Code Annotated §§ 23-61-108(a)(1), 23-61-108(b)(1), 23-76-108(a), and 25-15-204, and other applicable laws or rules, NOTICE is hereby given that a PUBLIC HEARING will be held on **September 30, 2015, at 10:00 A.M.**, in the First Floor Hearing Room, Arkansas Insurance Department ("Department"), 1200 West Third Street, Little Rock, Arkansas. The purpose of the Public Hearing will be to determine whether the Commissioner should adopt Proposed Amended Rule 50.

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. All licensees and other interested persons are responsible for notifying all their personnel, agents, and employees about this Public Hearing. Persons wishing to testify should notify the Legal Division as soon as possible, and are requested to submit intended statements in writing in advance. A copy of Proposed Amended Rule 50 can be obtained or viewed on the Legal Division's Internet Web Site at http://www.insurance.arkansas.gov/legal.htm.

Please direct your inquiries to the Legal Division at (501) 371-2820 or insurance.legal@arkansas.gov.

Sincerely,



Amanda J. Andrews
Associate Counsel

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Information (800) 282-9134 · Consumer Services (800) 852-5494 · Seniors (800) 224-6330 · Criminal Inv. (866) 660-0888

RULE 50
CONTINUING EDUCATION FOR PRODUCERS AND ADJUSTERS

SECTIONS

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

RECEIVED
AUG 25 2015
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LEGISLATIVE RESEARCH

APPENDICES

APPENDIX A-1	Course Application for Continuing Education
APPENDIX A-2	Adjuster Continuing Education Course Approval Form
APPENDIX A-3	Annuity Suitability Training Course Approval Form
APPENDIX B	Course Valuation
APPENDIX C	Change in Curriculum or Instructor
APPENDIX D	Application for Approval as Instructor
APPENDIX E	Individual Certificate of Completion (no longer mandated)
APPENDIX F	Request for Exemption
APPENDIX G	Affidavit of Proctor
APPENDIX H	Continuing Education Providers Reporting Roster

SECTION 1. PURPOSE

The purpose of Rule 50 is to establish requirements and standards for continuing education for natural persons licensed as insurance producers ("producers") and adjusters by the Arkansas Insurance Commissioner (the "Commissioner").

SECTION 2. AUTHORITY

This Rule is issued under the authority vested in the Commissioner by Ark. Code Ann. § 23-61-108, and the Arkansas Administrative Procedure Act, codified at Ark. Code Ann. §§ 25-15-201, et seq., and Ark. Code Ann. § 23-64-304(a), as amended by Act 1203 of 2003 and Act 1697 of 2005.

SECTION 3 EXEMPTIONS

A. This Rule shall not apply to the following individuals:

EXHIBIT
3

1. Individuals holding licenses for which an examination is not required;
2. Company employed adjusters and limited adjusters as defined in Rule and Regulation 68;
3. Any limited or restricted license the Commissioner may exempt;
4. Any individual, licensed as a resident producer prior to July 1, 2003, who is at least sixty (60) years of age;
5. Any individual, licensed as a resident producer prior to July 1, 2003, who has held a license as a producer, insurance 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 producers, non-resident consultants, and/or non-resident adjusters, unless the home state or designated home state does not have any comparable continuing education requirements;
8. Licensed insurance consultants;
9. Any producer or adjuster called to active duty in any branch of the United States military services including, but not limited to, the United States Coast Guard and Reserves, during the entire period of active duty service;
10. The exceptions contained in Subsections (A)(4) and (5) of this Section are no longer applicable to insurance producers who became resident licensees after July 1, 2003, or insurance producers who have let their Arkansas producer license lapse and have become re-licensed, or to title insurance agents; and
11. Individuals (or an appointed guardian or person with an appropriately worded power of attorney) with grave or debilitating illnesses or injuries may request an extension for no more than twelve (12) months, for completion of the CE hours required for a particular licensing renewal period. The request must be accompanied by a written doctor's statement confirming the medical history and a medical estimate as to how long the individual will be unable to function normally enough to complete the rule requirements. The request from the producer must include his/her mail or electronic mail note that he/she is voluntarily waiving the private or confidential nature of the illness or injury in order to qualify for this extension. With similar documentation, including a signed note from the attending physician and a privacy waiver from and signed by the patient, producers (or the relative's appointed guardian or person with an appropriately worded power of attorney) may also file for an extension due to the terminal or debilitating illness of a grandparent, parent, spouse, sibling, or child. The Commissioner has discretion to grant such time extensions for good cause under Ark. Code Ann. § 23-64-304(b), but only up to one (1) year; and may deny requests from anyone failing, or who has in the past failed, to comply with Arkansas laws or rules, or failed to comply within any extended time period granted by the Commissioner under this subsection.

SECTION 4. EDUCATIONAL REQUIREMENTS

A. Number of Course Hours

1. Upon the effective date of this Rule, any non-exempt persons licensed as producers shall, biennially on or before their birthdays, satisfactorily complete a minimum of twenty-four (24) hours of continuing education instruction approved by the Commissioner, which must include at least three (3) hours of ethics in each two year license renewal cycle, if the individual is licensed to sell:

a. Life insurance;
b. Accident and health or sickness insurance;
c. Property insurance;
d. Casualty insurance;
e. Variable products insurance; or
f. Personal lines insurance.

2. Upon the effective date of this Rule, any person who holds an adjuster license shall satisfactorily complete a minimum of twenty-four (24) hours of continuing education instruction approved by the Commissioner, which must include three (3) hours of ethics in each two year license renewal cycle. This provision shall not apply to:

   a. An adjuster that is licensed in another state;
   b. The licensing state requires continuing education; and
   c. The adjuster has satisfied the continuing education requirements of the licensing state or designated home state.

3. If a person is a non-exempt producer required to obtain continuing education under this Section and a licensed adjuster, that person shall be required to meet the continuing education requirements of both licenses.

4. The continuing education requirements in this section do not apply to title insurance agents. License renewal and continuing education requirements for title insurance agents are governed by Rule 87.

B. Biennial Licensing Period

1. Effective until January 1, 2011, all initial licensees and all renewal licensees for the above-referenced licensees will continue to be issued on an annual basis, with the continuing education requirements of eight (8) or ten (10) hours due annually.

2. Effective January 1, 2011, continuing education will be due biennially under the following schedule:

   a. For existing individual licensees born in odd-numbered years, a two-year license will be issued for the 2011 renewal on the licensee's birth date, and renewed biennially thereafter. Twelve hours (12) of continuing education, which must include two hours of ethics, must be completed prior to the licensee's renewal in 2011. Beginning in 2013, the continuing education requirements of twenty-four (24) hours, which must include three (3) hours of ethics, will be due at each two year license renewal cycle based on the licensee's birth date. The first continuing education requirement of twenty-four (24) hours, which must include three (3) hours of ethics, is due by the expiration/renewal birth date in 2013, and at each subsequent two year license renewal.

   b. For existing individual licensees born in even-numbered years, a one-year license will be issued for the 2011 renewal on the licensee's birth

date. Resident producers and adjusters will be required to have twelve (12) hours of continuing education, which must include two (2) hours of ethics, due for license renewal in 2012. Beginning in 2012, these licensees will renew their licenses for a two-year period and renew biennially on their birth date thereafter. The continuing education requirement of twenty-four (24) hours, which must include three (3) hours of ethics, will be due at the first two year license renewal cycle based on the licensee's birth date in 2014 and biennially on the birth date thereafter.

c. For new individual licensees issued in 2011 and subsequent years, license renewal periods will not be based on birth year. The initial license will be issued for a two-year period and renewed biennially on the licensee's birth date thereafter. The continuing education requirements of twenty-four (24) hours, which must include three (3) hours of ethics, will be due at each two year license renewal cycle.

d. The continuing education requirements for resident adjusters and for those non-residents who have qualified for an Arkansas Adjuster license by taking the Arkansas adjuster exam will be 24 hours every two years of which 3 hours must be ethics. The requirement for adjusters to complete continuing education on or before their birthday will start January 1, 2012. Non-residents who have qualified by being licensed as an adjuster in their home state are exempt from continuing education requirements.

C. Requirements for Continuing Education to Qualify as Distance Learning

1. "Distance Learning" means a classroom educational program in which the licensee and the instructor may be in different physical locations yet interact with each other through various methods of telecommunications, including but not limited to video teleconference or webinar.
2. There shall be five required parts to a Distance Learning Continuing Education course: video imagery, interactivity, written materials, attendance verification, and a technology help line.

   a. The video imagery shall constitute a live continuing education provider or instructor, with interactive abilities, which include, but are not limited to, allowing for attendees to ask real time questions and be assisted by continuing education providers, instructors, or proctors, in real time.
   b. Written materials shall be available in hard copy or in downloadable format and may be projected as part of the video imagery during the course of the Distance Learning presentation.
   c. A technology help line shall be available prior to, during, and after the Distance Learning presentation. This technology help line shall be adequate in staff size to assist attendees within a reasonable amount of time during the course of the Distance Learning presentation.
3. The Distance Learning provider shall be able to verify attendance and shall provide that attendance verification to the Department.
4. A form shall be made available on the Department's License Division website that shall be executed by the Distance Learning provider and submitted to the

Department electronically so that the attendee may receive credit for the Distance Learning course. The form shall be submitted to the Department no later than ten days after attendee completes the Distance Learning course.

D. Course Approval

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 professional designated program;
5. Any part of the Certified Insurance Counselor Program;
6. Any course offered by Certified Health Consultant;
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 producers' association, insurance trade association, or any independent program of instruction;
10. Any correspondence courses, including, but not limited to, correspondence courses offered via the Internet, subject to the following:

    a. 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. Electronic filings with the Arkansas Insurance Department's License Division ("License Division") are encouraged and permitted;
    b. All correspondence course examinations must be proctored or include an attestation or certification to be completed by the licensee verifying that the licensee is the person who is completing the course and exam;
    c. Proctors must provide an affidavit attesting under oath or affirmation that the correspondence or electronic course examination was proctored and/or included the attestation or certification required by § 4D(10)(b), 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;
    d. Appendix G must accompany the filing of the Appendix H roster and these must be retained in the providers records. Correspondence course providers shall maintain all records or electronic copies of records on proctors and proctored examinations;
    e. Any person with no family or financial relationship to the licensed producer or adjusters may proctor an examination under this Rule;
    f. Course providers' filings must explain how correspondence course exams will not be duplicated for any two (2) test takers; and
    g. Correspondence courses approved and subsequently purchased by the producer or adjuster, prior to the effective date of this Rule, may 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 producer or adjuster 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.

E. Course Hour Valuation

1. The Commissioner shall assign the number of continuing education hours for which approved courses qualify.
2. Key Components – Filings must include and clearly demonstrate:
   a. Material that is current, relevant, accurate, and that includes valid reference materials, graphics and interactivity;
   b. Clearly defined objectives and course completion criteria;
   c. Specific instructions to register, navigate, and complete the course work.
   d. Technical support/provider representative available during business hours;
   e. Process to authenticate student identity; and
   f. Method for measuring the student's successful completion of course material and for evaluating the learning experience.
3. Acceptable Procedures to determine Appropriate Number of Credit Hours - Select and File one (1) of three (3) Methods below per Course:
   a. Method A:
      i. 600-700 words (standard font size) = one (1) text page;
      ii. Textbooks/workbooks/other printed material – one (1) credit for every fifteen (15) pages;
      iii. Three (3) screens with an aggregate total of approximately 600-700 words – one (1) text page;
      iv. Forty-five (45) screens – one (1) hour of credit;
      v. Divide total screens by forty-five (45) – total number of credit hours;
      iv. Multiply number of hours by 1.00 for a basic level course; 1.25 for an intermediate level; 1.50 for an advanced course for additional study time = total number of credit hours (fractional hours rounded up if .50 or above and rounded down if .49 or less).
   b. Method B:
      i. Divide total number of words by one hundred eighty (180) (documented average reading time) = number of minutes to read material;
      ii. Divide number of minutes by fifty (50) = credit hours;
      iii. Multiply number of hours by 1.00 for a basic level course; 1.25 for an intermediate level; 1.50 for an advanced course for additional study time = total number of credit hours (fractional hours rounded up if .50 or above and rounded down if .49 or less).
   c. Method C:
      Oral Presentations: Providers may use the timed outline method for speeches and other oral presentations intended for continuing education

credits. Providers should file a detailed description of the proposed subject of the program or course, including a timed course outline, list of any resource materials, and list of speakers or instructors or proctors.

F. Certificates and Evidence of CE Completion

Certificates of Completion (see Appendix E) which were issued to producers prior to the effective date of this Rule will be valid for filing with the Commissioner until the expiration date listed on the certificate. Course providers are no longer required to issue Certificates of Completion. Instead, filing of CE completion will be evidenced by the course provider upon filing with the Department either an Appendix G or an Appendix H roster within ten (10) days from the completion of the course of instruction. Upon specific request, course providers may continue to issue Certificates of Completion or other evidence of course completion, but no filing of such is to be made with the Department.

G. Course Repetition

Courses may not be repeated within a 2-year period of time.

SECTION 5. COURSE PROVIDER APPROVAL

A. Forms. The following forms are prescribed by the Commissioner and are attached as exhibits to this Rule. All forms are available upon request to the Department or via the Department's web site at:

http://insurance.arkansas.gov/License/forms.htm

APPENDIX A-1 Course Application for Continuing Education
APPENDIX A-2 Adjuster Continuing Education Course Approval Form
APPENDIX A-3 Annuity Suitability Training Course Approval Form
APPENDIX B Course Valuation
APPENDIX C Continuing Education Provider Application
APPENDIX D Application for Instructor Approval
APPENDIX E Individual Certificate of Completion
APPENDIX F Request for Exemption
APPENDIX G Completion of Correspondence Course and Proctor Affidavit
APPENDIX H Continuing Education Providers Reporting Roster, with Instructions

B. Application for approval as a provider shall be submitted to the License Division not less than sixty (60) days prior to the expected use of the program. The Provider shall submit the course filing electronically.

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.
2. For Correspondence Course filings, the provider must append Appendix B to the electronic course filing to show the method and calculation of the hours requested for the course.
   For Classroom courses, the provider must append a detailed and timed outline of the course which is being electronically filed with Appendix B .
   For Distance Learning Courses, the provider must append to the electronic filing a detailed, timed outline of the course presentation, and shall state the technological method to verify attendance and completion of the course with Appendix B..
3. Schedules of classes, seminars and meetings for all locations.

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

D. Fees and Renewal. The fee for a provider is one hundred dollars ($100.00) annually and is renewed September 1 of each year for one hundred dollars ($100.00). Failure to renew will result in the provider, courses and instruction to become inactive, and the provider must file a new application for approval, as discussed in § 5(B) of this Rule.

SECTION 6. INSTRUCTOR QUALIFICATIONS

A. An approved instructor teaching any approved course of instruction or lecturing at any approved seminar or meeting shall qualify for two (2) hours of credit for each hour presented.

B. Instructors must have had specific insurance training or educational experiences satisfactory to and approved by the Commissioner in order to be certified to teach any part of any approved course. Each instructor must have two (2) 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 Commissioner. Applicants for approval as an instructor shall complete and submit Appendix "D" to the License Division.

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 for good cause shown in a written request.

SECTION 7. 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 8. FEES AND COMPLIANCE

A. For each completed course, an approved course provider shall file with the Commissioner or his/her designee a roster by electronic submission as prescribed in Appendix "H". The course provider shall electronically file the attendees roster with the Commissioner in a timely manner, but not later than ten (10) days from the completion of the course of instruction. A vendor is an individual, corporation, or legal entity hired by the Commissioner to facilitate the electronic functions of this Rule. The Commissioner may require providers to submit the course providers' Appendix "H" per course in electronic form to the Department, or may require the provider to submit information to an outside vendor or other parties contracting with the Commissioner to maintain and update insurance licensees' continuing education data. **If an attendee does not sign the roster provided as Appendix "H", credit will not be granted for the course.** The course provider shall maintain copies of the Appendix "H" Appendix" G" in a format that is subject to review by the Commissioner.

B. Every person/producer subject to this Rule shall tender a $10 CE filing fee in the manner and at the time as directed by the Commissioner or by a vendor of the Commissioner until the implementation of the biennial renewal period. On or before their birthdate each biennial renewal period, Arkansas resident producers or adjusters who are required to

meet continuing education requirements, must pay $20.00 continuing education filing fee in accordance with Rule 57, simultaneously with the other fees required to renew or continue licensure.

C. Excess educational hours accumulated during any biennial period may be carried forward only to the next biennial period, subject to other limitations in this Rule. Continuing education carried forward to the following calendar year shall expire upon commencement of the second (2nd) biennial period following completion of the hours. Additional Ethic hours will carry over as regular hours and not as ethic education.

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

SECTION 9. PENALTIES

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

B. Any licensee fined under Ark. Code Ann. § 23-64-304(d) may request that the Commissioner seal the licensee's records at the Department regarding the fine. The underlying conduct of any licensee whose record has been sealed under Ark. Code Ann. § 23-64-304 shall be deemed as a matter of law never to have occurred, and the licensee is not required to disclose the violation on any subsequent application after the records are sealed.

SECTION 10. 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.

SECTION 11. EFFECTIVE DATE AND APPLICABILITY

Rule 50 shall be effective on and after and shall be applicable to those persons licensed to act as an insurance producer, adjuster or continuing education course provider, instructor or proctor, who must comply with Ark. Code Ann. §§ 23-64-301, et seq., and other laws for continuation of producers' licenses and for the sale of the following types of insurance, as duplicates of or in addition to any listed elsewhere in this Rule:

A. Life, and/or accident and health insurance,
B. Property and/or casualty insurance, and
C. Personal lines and
D. Adjusters.

ALLEN KERR
INSURANCE COMMISSIONER
STATE OF ARKANSAS

DATE

ARKANSAS INSURANCE DEPARTMENT
Appendix A-1
Producer and Title Agent Continuing Education Course Approval Form

(print in ink or type)

Provider Name_____ Provider #: _____

Contact Person: _____ Contact Phone # _____

Contact Fax #: _____
Contact e-mail Address: _____
Course
Title_____

Will this course open to the public: _____Yes _____No

Course Type: (Select One)
Self Study (complete formula on appendix B)

Correspondence _____
Teleconference _____
Video/Audio/CD/DVD _____
_____

Class Room (attach a timed outline of the class presentation)
Seminar _____

Distance Learning _____

Special note: Hours awarded for self study course will be based on the formula on Appendix B. All self study courses must have a proctored exam.

Course Field of Study (select only one)

Topic:	**Hours Requested**	**Hours Approved**
_____Accident/Sickness/Health	_____	_____
_____Property/Casualty	_____	_____
_____Life	_____	_____
_____Personal Lines	_____	_____
_____Ethics	_____	_____
_____Annuities	_____	_____
_____Variable Products	_____	_____
_____Flood	_____	_____
_____Workers Compensation	_____	_____
_____Property (only)	_____	_____
_____Casualty (only)	_____	_____
_____Title	_____	_____
_____Title Ethics	_____	_____

Signature of Provider Representative_____
Date: _____ Provider Representative's Phone Number : _____

Department Use Only:
Approved by: _____
Date: _____

Declined by: _____
Date:_____

Course Number Assigned _____

ARKANSAS INSURANCE DEPARTMENT
Appendix A-2
Adjuster Continuing Education Course Approval Form

(print in ink or type)

Provider Name_____ Provider #: _____

Contact Person: _____ Contact Phone # _____

Contact Fax #: _____Contact e-mail Address: _____

Course Title_____

Will this course open to the public: _____Yes _____No

Course Type: (Select One)

Self Study (complete formula on appendix B)
Correspondence _____
Teleconference _____
Video/Audio/CD/DVD _____
_____

Class Room (attach a timed outline of the class presentation)
Seminar _____
Distance Learning _____

Special note: Hours awarded for self study course will be based on the formula on Appendix B. All self study courses must have a proctored exam.

Course Field of Study (select only one)

Topic:	**Hours Requested**	**Hours Approved**
_____Property/Casualty	_____	_____
_____Ethics	_____	_____
_____Workers Compensation	_____	_____
_____Property (only)	_____	_____
_____ Casualty (only)	_____	_____
_____		

Signature of Provider Representative_____
Date: _____

Provider Representative's Phone Number _____

Department Use Only:
Approved by: _____ Date: _____

Declined by: _____
Date: _____

Course Number Assigned _____

ARKANSAS INSURANCE DEPARTMENT
Appendix A-3
Annuity Suitability Training Course Approval Form

(print in ink or type)

Provider Name_____ Provider #: _____

Contact Person: _____ Contact Phone # _____

Contact Fax #: _____

Contact e-mail Address: _____

Course Title_____

Will this course be open to the public: _____Yes _____No

Course Type: (Select One)

Self Study (complete formula on appendix B)

Correspondence _____

Teleconference - _____

Video/Audio/CD/DVD _____

_____

Class Room (attach a timed outline of the class presentation)

Seminar _____

Distance Learning _____

Special note: Hours awarded for self study course will be based on the formula on Appendix B. All self study courses must have a proctored exam.

Signature of Provider Representative_____

Date: _____

Provider Representative's Phone Number _____

Department Use Only:

Approved by: _____ Date: _____

Declined by: _____

Date:_____

Course Number Assigned _____

ARKANSAS INSURANCE DEPARTMENT
APPENDIX B
COURSE VALUATION
FOR USE WITH RULE 50

All **Correspondence Courses** must use one of the following formulas to calculate the number of hours for the course: (round up fractional hours if .50 or above) Correspondence courses include Webinar, teleconference and video/Audio/CD/DVD self study

All **Classroom** courses must have a timed outline of the oral presentation attached to this form.

Formula A:
Textbooks---1 credit for every 15 pages--600-700 words equal one text page
Computer course---3 screens equals 1 text page (aggregate total of 600 to 700 words per screen)
Forty-five (45) screens equal 1 credit hour
Multiply credit hours by 1.00 for basic level course; 1.25 for intermediate level course and 1.50 for advanced course. Total equals number of credit hours.

Formula B:
Divide the total number of words by 180=number of minutes to read material
Divide number of minutes by 50=credit hours
Multiply number of hours by 1.00 for basic level course; 1.25 for intermediate course and 1.50 for advanced course

1. Course Name: _____
2. Method Used for Valuation: Formula A Formula B Classroom
   (Circle One)
3. If using formula A or formula B provide calculation below:

_____

_____

_____

Formula C: If classroom, distance learning or seminar, attach a detailed and timed outline of the class or seminar. For distant learning, a detailed timed outline of the course and document is the way attendance is verified.

Department Use:
Notes: _____

_____

ARKANSAS INSURANCE DEPARTMENT
APPENDIX C
CONTINUING EDUCATION PROVIDER APPLICATION

Name of Provider: _____

Address: _____
Street or P.O. Box City State Zip

Phone Number: _____ Fax # _____

Name of Contact Person #1 _____

Contact Person Phone # _____ Fax # _____

Contact Person E-mail: _____

Name of Contact Person #2 _____

Contact Person Phone # _____ Fax # _____

Contact Person E-mail: _____

What other States are you approved as a Provider of Continuing Education:

_____

_____

List Representatives Authorized to Sign Certificates for Provider:

Name	Title	Signature

Type of Courses Provider Will Offer: (check all that apply)

_____ Producer (agent/broker) _____ Title _____ Adjuster

Signed _____

Printed Name _____

Title _____

Dated _____

*********THIS FORM IS TO BE SUBMITTED WITH A REGISTRATION FEE OF $100*********

For Department Use:
Fee Received: _____ **Check or Route Slip:** _____

Approved by _____ **Date:** _____

Disapproved by _____ **Date:** _____

ARKANSAS INSURANCE DEPARTMENT
APPENDIX D
APPLICATION FOR INSTRUCTOR APPROVAL
FOR USE WITH RULE 50

Provider Name: _____ Provider # _____

Contact Person _____ Phone # _____

Instructor Information

1. Applicant Name

_____

2. Applicant's Contact Address:

_____

Street or P.O. Box City, State Zip

3. Applicant's Phone # _____ Applicant's Fax Number _____
4. Applicant's e-mail address _____

Qualifications of Instructor:

The applicant can attach a Resume or Curriculum Vitae.

5. Summarize all prior insurance experience which totals 2 or more years. (Attach additional sheets if necessary). If you do not have insurance experience—enter N/A

_____

_____

6. Please summarize insurance education, including but not limited to college or university insurance course hours. Include any professional designations or number of hours obtained toward professional designation.

_____

_____

7. List all current resident and non-resident insurance licenses you currently hold. List the

State of issue, License Type and License#. _____

_____

8. Have you ever been involved in an administrative proceeding regarding any professional license?

_____Yes ___No If yes attach full detailed statement and copies of official documents.

Course of Instruction

9. What type courses of instruction do you propose to serve as instructor?

_____

_____

I hereby certify that, under penalty of perjury, all the information submitted in this application and attachments is true and complete.

_____ _____

Signature Date

Department Use Only

Approved by _____ Date _____

Disapproved by _____ Date _____

ARKANSAS INSURANCE DEPARTMENT

APPENDIX E
INDIVIDUAL CERTIFICATE OF COMPLETION
FOR USE WITH RULE 50

_____ _____
Producer Name (Type or Print) Arkansas License Number(s)

_____
Street Address City State Zip Code

I, _____,
Authorized Representative (Type or Print)

of _____,
Course Provider

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

Course Title _____

Number of Credit Hours Earned _____ Course Number_____

Date of Course Completion _____

This course has been approved by the Arkansas Department of Insurance pursuant to Rule 50.

_____ _____
Date Signature of Authorized Representative

_____ _____
Date Signature of Producer

THIS FORM MAY BE PROVIDED TO THE PRODUCER UPON COMPLETION OF THE COURSE IF REQUESTED BY THE PRODUCER.

ARKANSAS INSURANCE DEPARTMENT

APPENDIX F REQUEST FOR EXEMPTION FOR USE WITH RULE 50

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

Under Arkansas Code §23-64-302(3) and (4) as amended, I held an Arkansas producer license before July 1, 2003, and now am requesting the following exemption(s) Continuing Education Hours:

_____ 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, producer for a period of fifteen (15) consecutive years. Date first licensed _____

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)
_____	_____
Arkansas License Number(s)	Street Address
_____	_____
Telephone Number	City, State, Zip

E-MAIL ADDRESS: _____

Subscribed and sworn to or affirmed before me a notary public in and for the State of _____ on this _____ day of _____, 20____.

(Notary seal)

_____
Notary Public

My Commission expires

_____

ARKANSAS INSURANCE DEPARTMENT
APPENDIX G
CORRESPONDENCE COURSE
CERTIFICATION OF COMPLETION AND PROCTOR AFFIDAVIT
FOR USE WITH RULE 50

All Correspondence Courses must have a proctored exam to be valid. Form must be typed or printed.

LICENSEE'S INFORMATION
Name of Licensee: _____
Licensee's's License # _____
Resident Address: _____
Street or P.O. Box City or State Zip
Business Phone # _____
Producer Signature _____ Date _____

PROCTOR INFORMATION:
Proctors Name: Proctors _____
Address: Proctors Phone _____
Number: _____
Proctors Driver's License # _____ State of Issue _____
Start Time of Exam _____ End Time of Exam _____
Date of Completion of Examination _____
Location of Examination _____

ATTESTATION:
I do hereby solemnly attest that I proctored the above correspondence examination provided to the above name licensee and that the examination was provided as instructed by the Course Provider. I assure the Commissioner that no attendee 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, and I have no special interest to ensure the licensee passes the examination. I understand that this affidavit is provided under oath or affirmation, and that false information shall be grounds for possible Arkansas Insurance Code or Rule penalties.

_____ _____
Signature of Proctor Date

Once Licensee has tested and Proctor has completed form—Provider completes and sends to Department

CONTINUING EDUCATION PROVIDER INFORMATION (Completed by Provider only)
Course Name _____ Course # _____
Provider Name _____ Provider's # _____

Signature of Provider Responsible Contact
_____ Date:

Instructions:
This completed form is to be returned to the Provider of the Course. No credit for the course will be given until the Provider has received this document. The Provider will provide a copy of this form to the Insurance Department by electronic media.

APPENDIX H
CONTINUING EDUCATION PROVIDERS
REPORTING ROSTER OF CONTINUING EDUCATION COMPLETION
FOR USE WITH RULE 50

1. Provider Name _____
2. Provider Number _____
3. Provider Contact Name _____
4. Phone Number _____
5 Date of Roster Submission
6. CE Course Title

National Producer Number	[8] Name of Licensee Printed Name(use full legal name)	[9] Signature of Licensee	[10] Date of Completion	[11] Course Number	[12] Credit hrs

ARKANSAS INSURANCE DEPARTMENT
1200 WEST THIRD STREET
LITTLE ROCK AR 72201
PHONE: 501-371-2750

Instructions for Appendix H
Continuing Education Providers Reporting Roster
For Use with Rule 50

Complete Items 1-12.

1. Provider Name---complete name of CE course provider
2. Provider Number---the number assigned to the provider by the Insurance Department
3. Provider Contact Name---the individual staff should contact for questions on the form
4. Phone Number---the provider's number staff should call for questions on the form
5. Date of Roster Submission---date the form is being sent to the Insurance Department; but in any event no later than twenty (20) days after the completion of the course
6. Course Title---the name of the course taken by the licensee
7. National Producer Number (NPN)--- licensee's number assigned by the Department
8. Name of licensee --print the name of the producer (full legal name)
9. Signature of licensee --the licensee must sign the roster, Appendix H
10. Date of completion---the date the course was completed by the licensee
11. Course Number---the number assigned by the Department to the course
12. Credit Hours---the hours credited for completion of the course when approved by the Department

If you should have any questions regarding this form, please contact the Department License Division at 501-371-2750; or email insurance.license@arkansas.gov.

Arkansas Insurance Department

Asa Hutchinson
Governor

Allen Kerr
Commissioner

August 25, 2015

Arkansas Democrat-Gazette
Attn: Pam Dicus, Legal Ad Department
P.O. Box 2221
Little Rock, AR 72203

Via electronic mail:
legalads@arkansasonline.com

RE: Legal Notices: Public Hearing on Proposed Rule 50

Dear Ms. Dicus:

The Insurance Commissioner is proposing to adopt amended Rule 50 "Continuing Education for Producers and Adjusters." In order to publish it per the Arkansas Administrative Procedure Act and the Arkansas Insurance Code, the Department needs to publish a **FULL RUN** legal ad or notice on the Commissioner's Public Hearing for the Rule set on September 30, 2015 at 10:00 a.m.

In compliance with Arkansas Code Annotated § 25-15-204 and § 16-3-102, please find enclosed a legal ad for Notice of Public Hearing which should be published for three (3) consecutive days beginning on August 25, 2015.

Please send the billing invoices to Mrs. Pam Looney, Assistant Commissioner, Accounting Division, Arkansas Insurance Department, 1200 West Third, Little Rock, Arkansas 72201-1904, accompanied by a printed copy of the Legal Ad and proof of publication.

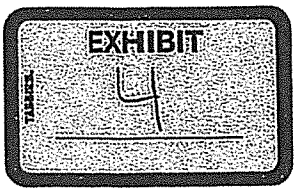
Thank you in advance for your cooperation.

Sincerely,

Amanda J. Andrews

Amanda J. Andrews
Associate Counsel
(501) 371-2841
amanda.andrews@arkansas.gov

encl. Legal Ad for Proposed Amended Rule 43 Adoption



NOTICE OF PUBLIC HEARING

The Arkansas Insurance Department will host a Public Hearing on September 30, 2015 beginning at 10:00 a.m. in the First Floor Hearing Room, Arkansas Insurance Department, 1200 West Third Street (Third and Cross Streets), Little Rock, Arkansas, to consider adoption of proposed amended Rule 50, "Continuing Education for Producers and Adjusters." Copies of proposed amended Rule 50 may be obtained by writing or calling the Arkansas Insurance Department, or by visiting our Internet site at http://www.insurance.arkansas.gov/legal.htm. For more information, please contact LoRraine Rowland, Legal Division, Arkansas Insurance Department, at 501-371-2820.

Amanda Andrews

From: Legal Ads <legalads@arkansasonline.com>
Sent: Tuesday, August 25, 2015 10:37 AM
To: Amanda Andrews
Subject: Re: Rule 50 - Request for Legal Ad from Arkansas Insurance Department

Received and processed to start on the 27th
thanks
pam

From: Amanda Andrews
Sent: Tuesday, August 25, 2015 10:24 AM
To: Legal Ads
Cc: LoRraine Rowland
Subject: RE: Rule 50 - Request for Legal Ad from Arkansas Insurance Department

Please see attached.

Amanda J. Andrews
Associate Counsel, Legal Division
Arkansas Insurance Department
1200 West 3rd Street
Little Rock, AR 72201
Office: (501) 371-2841
Facsimile: (501) 371-2639
amanda.andrews@arkansas.gov

From: Legal Ads [mailto:legalads@arkansasonline.com]
Sent: Tuesday, August 25, 2015 10:17 AM
To: Amanda Andrews
Subject: Re: Rule 50 - Request for Legal Ad from Arkansas Insurance Department

Same with this one
thanks
pam

From: Amanda Andrews
Sent: Tuesday, August 25, 2015 9:53 AM
To: legalads@arkansasonline.com
Cc: LoRraine Rowland
Subject: Rule 50 - Request for Legal Ad from Arkansas Insurance Department

Dear Ms. Dicus:

Attached please find a request for a legal ad for Proposed Amended Rule 50 to run beginning today, if possible.

Thank you for your assistance.

Amanda J. Andrews
Associate Counsel, Legal Division
Arkansas Insurance Department
200 West 3rd Street
Little Rock, AR 72201
Office: (501) 371-2841
Facsimile: (501) 371-2639
amanda.andrews@arkansas.gov

Arkansas Democrat Gazette

STATEMENT OF LEGAL ADVERTISING

ARKANSAS INSURANCE DEPARTMENT
1200 W THIRD
LITTLE ROCK AR 72201

ATTN: Amanda Andrews
DATE : 08/29/15 INVOICE #: 3034397
ACCT #: L5478029 P.O. #:

REMIT TO:
ARKANSAS DEMOCRAT-GAZETTE, INC.
P.O. BOX 2221
LITTLE ROCK, AR 72203

BILLING QUESTIONS CALL 378-3812

STATE OF ARKANSAS, }
COUNTY OF PULASKI, } ss.

I, Yvette Hines, do solemnly swear that I am the Legal Billing Clerk of the Arkansas Democrat - Gazette, a daily newspaper printed and published in said County, State of Arkansas; that I was so related to this publication at and during the publication of the annexed legal advertisement in the matter of:

HEARING

pending in the Court, in said County, and at the dates of the several publications of said advertisement stated below, and that during said periods and at said dates, said newspaper was printed and had a bona fide circulation in said County; that said newspaper had been regularly printed and published in said County, and had a bona fide circulation therein for the period of one month before the date of the first publication of said advertisement; and that said advertisement was published in the regular daily issues of said newspaper as stated below.

DATE	DAY	LINAGE	RATE	DATE	DAY	LINAGE	RATE
08/27	Thu	31	1.35				
08/28	Fri	31	1.35				
08/29	Sat	31	1.35				

TOTAL COST ---------- 125.55
Billing Ad #: 73333586

Subscribed and sworn to me this _____
day of _____, 20 _____

Notary Public

AD COPY

PLEASE REMIT THIS COPY WITH PAYMENT

IN ACCORDANCE WITH FEDERAL RESERVE GUIDELINES, CHECKS YOU SEND US FOR PAYMENT MAY BE PROCESSED ELECTRONICALLY. THIS MEANS CHECKS CLEAR FASTER AND BANK STATEMENTS ARE VALID PROOF OF PAYMENT.

EXHIBIT 5

Arkansas Democrat Gazette

STATEMENT OF LEGAL ADVERTISING

ARKANSAS INSURANCE DEPARTMENT
1200 W THIRD
LITTLE ROCK AR 72201

ATTN: Amanda Andrews

DATE : 08/29/15 INVOICE #: 3034397
ACCT #: L5478029 P.O. #:

REMIT TO:
ARKANSAS DEMOCRAT-GAZETTE, INC.
P.O. BOX 2221
LITTLE ROCK, AR 72203

BILLING QUESTIONS CALL 378-3812

STATE OF ARKANSAS, }
COUNTY OF PULASKI, } ss.

I, Yvette Hines, do solemnly swear that I am the Legal Billing Clerk of the Arkansas Democrat - Gazette, a daily newspaper printed and published in said County, State of Arkansas; that I was so related to this publication at and during the publication of the annexed legal advertisement in the matter of:

HEARING

pending in the Court, in said County, and at the dates of the several publications of said advertisement stated below, and that during said periods and at said dates, said newspaper was printed and had a bona fide circulation in said County; that said newspaper had been regularly printed and published in said County, and had a bona fide circulation therein for the period of one month before the date of the first publication of said advertisement; and that said advertisement was published in the regular daily issues of said newspaper as stated below.

DATE	DAY	LINAGE	RATE	DATE	DAY	LINAGE	RATE
08/27	Thu	31	1.35				
08/28	Fri	31	1.35				
08/29	Sat	31	1.35				

TOTAL COST ---------- 125.55
Billing Ad #: 73333586

Subscribed and sworn to me this 29 day of August, 20 15

Notary Public

OFFICIAL SEAL - No. 12347408
DEANNA GRIFFIN
NOTARY PUBLIC - ARKANSAS
PULASKI COUNTY
MY COMMISSION EXPIRES 3-30-2016

AD COPY

NOTICE OF PUBLIC HEARING
The Arkansas Insurance Department will host a Public Hearing on September 30, 2015 beginning at 10:00 a.m. in the First Floor Hearing Room, Arkansas Insurance Department, 1200 West Third Street (Third and Cross Streets), Little Rock, Arkansas, to consider adoption of proposed amended Rule 50, "Continuing Education for Producers and Adjusters." Copies of proposed amended Rule 50 may be obtained by writing or calling the Arkansas Insurance Department, or by visiting our internet site at http://www.insurance.arkansas.gov/legal.htm. For more information, please contact LoRraine Rowland, Legal Division, Arkansas Insurance Department, at 501-371-2820.
73333586

LoRraine Rowland

From: Arkansas Insurance Department <insurance.legal=arkansas.gov@mail24.atl91.mcsv.net> on behalf of Arkansas Insurance Department <insurance.legal@arkansas.gov>
Sent: Tuesday, August 25, 2015 6:30 PM
To: LoRraine Rowland
Subject: Notice of Hearing: Proposed Amended Rule 50

Notice of Hearing: ??Proposed Amended Rule 50 View this email in your browser

Arkansas Insurance Department

Asa Hutchinson
Governor

Allen Kerr
Commissioner

Legal Notice

Notice of Hearing
Proposed Amended Rule 50

Please click on the link below to view the Department's Proposed Amended Rule 50 "CONTINUING EDUCATION FOR PRODUCERS AND ADJUSTERS" and Notice of Hearing information.

http://insurance.arkansas.gov/prop-rules.htm

Direct your inquiries to the Legal Division at (501) 371-2820 or insurance.legal@arkansas.gov.

EXHIBIT
6

You are receiving this email because you opted in at our website or because you provided your email address when applying for a license with AID. If you no longer wish to receive emails from the Arkansas Insurance Department, please click unsubscribe from this list.

update subscription preferences

1200 West Third Street, Little Rock, AR 72201-1904 · (501) 371-2600 · (501) 371-2618 fax · www.insurance.arkansas.gov
Information (800) 282-9134 · Consumer Services (800) 852-5494 · Seniors (800) 224-6330 · Criminal Inv. (866) 660-0888

Arkansas Insurance Department

Asa Hutchinson
Governor

Allen Kerr
Commissioner

August 25, 2015

RECEIVED

AUG 25 2015

BUREAU OF
LEGISLATIVE RESEARCH

Via Hand Delivery

Donna Davis
Arkansas Legislative Council
Arkansas Bureau of Legislative Research
State Capitol, Suite 315
Little Rock, Arkansas 72201

RE: Arkansas Insurance Department Rule 50, "Continuing Education for Producers and Adjusters"

Dear Mrs. Davis:

Enclosed for your review and for filing with the Subcommittee of the Arkansas Legislative Council, is the Arkansas Insurance Department's proposed Amended Rule 50, "Continuing Education for Producers and Adjusters." The Department is proposing to amend Rule 50 to permit continuing education by distance learning, provide additional continuing education to a licensee who teaches a continuing education course, and instruct course providers to submit required forms electronically.

The Department has scheduled a public hearing for September 30, 2015, at 10:00 A.M., at our office in the first floor Hearing Room, to consider adopting this proposed amended Rule. I have enclosed a triplicate set of the proposed Rule, our Notice of Public Hearing, the standard Questionnaire, and Financial Impact Statement.

Please do not hesitate to contact me at (501) 371-2841 or amanda.andrews@arkansas.gov if you have any questions.

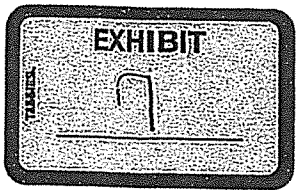
Sincerely,

Amanda J. Andrews

Amanda J. Andrews
Associate Counsel

cc: LoRraine Rowland, Administrative Analyst

encl.



1200 West Third Street, Little Rock, AR 72201-1904 · (501) 371-2600 · (501) 371-2618 fax · www.insurance.arkansas.gov
Information (800) 282-9134 · Consumer Services (800) 852-5494 · Seniors (800) 224-6330 · Criminal Inv. (866) 660-0888

QUESTIONNAIRE FOR FILING PROPOSED RULES AND REGULATIONS WITH THE ARKANSAS LEGISLATIVE COUNCIL AND JOINT INTERIM COMMITTEE

DEPARTMENT/AGENCY___Arkansas Insurance Department_____
DIVISION_____Legal Division_____
DIVISION DIRECTOR_____Suzanne Tipton_____
CONTACT PERSON_____Amanda Andrews_____
ADDRESS___1200 West Third Street, Little Rock, Arkansas 72201_____
PHONE NO._501-371-2820__FAX NO._501-371-2639__E-MAIL_amanda.andrews@arkansas.gov
NAME OF PRESENTER AT COMMITTEE MEETING __Amanda Andrews_____
PRESENTER E-MAIL __amanda.andrews@arkansas.gov_____

INSTRUCTIONS

A. Please make copies of this form for future use.
B. Please answer each question completely using layman terms. You may use additional sheets, if necessary.
C. If you have a method of indexing your rules, please give the proposed citation after "Short Title of this Rule" below.
D. Submit two (2) copies of this questionnaire and financial impact statement attached to the front of two (2) copies of the proposed rule and required documents. Mail or deliver to:

Donna K. Davis
Administrative Rules Review Section
Arkansas Legislative Council
Bureau of Legislative Research
Room 315, State Capitol
Little Rock, AR 72201

****

1. What is the short title of this rule?

   Rule 50, "Continuing Education for Producers and Adjusters"

2. What is the subject of the proposed rule?

   The proposed Rule permit continuing education by distance learning, provide additional continuing education for each presenter or speaker teaching a continuing education course, and instruct course providers to submit the required forms electronically.

3. Is this rule required to comply with a federal statute, rule, or regulation? Yes____No __X__

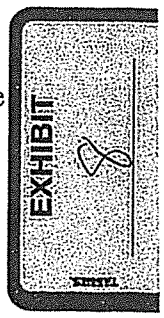
4. Was this rule filed under the emergency provisions of the Administrative Procedure Act? Yes_____ No__X__

   If yes, what is the effective date of the emergency rule? _____N/A____ X_____

   When does the emergency rule expire? _____N/A_____ X_____

   Will this emergency rule be promulgated under the permanent provisions of the Administrative Procedure Act? N/A__ X__ Yes_____ No_____

5. Is this a new rule? Yes_____ No__ X ___ If yes, please provide a brief summary explaining



the regulation.

Does this repeal an existing rule? Yes_____ No__ X__ If yes, a copy of the repealed rule is to be included with your completed questionnaire. If it is being replaced with a new rule, please provide a summary of the rule giving an explanation of what the rule does.

Is this an amendment to an existing rule? Yes_ X__ No___If yes, please attach a mark-up showing the changes in the existing rule and a summary of the substantive changes.

The proposed Rule permit continuing education by distance learning, provide additional continuing education for each presenter or speaker teaching a continuing education course, and instruct course providers to submit the required forms electronically.

6. Cite the state law that grants the authority for this proposed rule? If codified, please give Arkansas Code citation.

Arkansas Code Annotated §§ 23-61-108 and 23-64-304

7. What is the purpose of this proposed rule? Why is it necessary?

The purpose of amended Rule 50 is to permit continuing education by distance learning, provide additional continuing education for each presenter or speaker teaching a continuing education course, and instruct course providers to submit the required forms electronically.

8. Please provide the address where this rule is publicly accessible in electronic form via the Internet as required by Arkansas Code § 25-19-108(b).

http://www.insurance.arkansas.gov/legal.htm

9. Will a public hearing be held on this proposed rule? Yes__X__ No_____
If yes, please complete the following:
Date: September 30, 2015
Time: 10:00 a.m.
Place: Arkansas Insurance Department, First Floor Hearing Room

10. When does the public comment period expire for permanent promulgation? (Must provide a date.)

September 30, 2015, unless the Commissioner desires to keep the record open for more comments following the hearing.

11. What is the proposed effective date of this proposed rule? (Must provide a date.)

As currently drafted on December 1, 2015.

12. Do you expect this rule to be controversial? Yes_____ No _X__ If yes, please explain.

13. Please give the names of persons, groups, or organizations that you expect to comment on these rules? Please provide their position (for or against) if known.

None are known at this time.

FINANCIAL IMPACT STATEMENT

PLEASE ANSWER ALL QUESTIONS COMPLETELY

DEPARTMENT____Arkansas Insurance Department_____
DIVISION_____Legal Division_____
PERSON COMPLETING THIS STATEMENT_____Amanda Andrews_____
TELEPHONE NO.__371-2820__FAX NO.__371-2820__EMAIL: amanda.andrews@arkansas.gov

To comply with Act 1104 of 1995, please complete the following Financial Impact Statement and file two copies with the questionnaire and proposed rules.

SHORT TITLE OF THIS RULE ___Rule 50, "Continuing Education for Producers and Adjusters"___

1. Does this proposed, amended, or repealed rule have a financial impact?
   Yes _____ No ___X_____ Unknown. We have not calculated financial impact to health benefit plans subject to the proposed Rule in terms of premium rate or cost impact.

2. Does this proposed, amended, or repealed rule affect small businesses?
   Yes _____ No ___X_____

   If yes, please attach a copy of the economic impact statement required to be filed with the Arkansas Economic Development Commission under Arkansas Code § 25-15-301 et seq.

3. If you believe that the development of a financial impact statement is so speculative as to be cost prohibited, please explain.

   N/A

4. If the purpose of this rule is to implement a federal rule or regulation, please give the incremental cost for implementing the rule. Please indicate if the cost provided is the cost of the program.

   We do not anticipate any costs to the Department or State in our implementation of this Rule.

Current Fiscal Year	**Next Fiscal Year**
General Revenue_____	General Revenue_____
Federal Funds_____	Federal Funds_____
Cash Funds_____	Cash Funds_____
Special Revenue_____	Special Revenue_____
Other (Identify)_____	Other (Identify)_____
Total_____	Total_____

5. What is the total estimated cost by fiscal year to any party subject to the proposed, amended, or repealed rule? Identify the party subject to the proposed rule and explain how they are affected.

   N/A

Current Fiscal Year **Next Fiscal Year**

$_____ N/A _____ $_____ N/A _____

6. What is the total estimated cost by fiscal year to the agency to implement this rule? Is this the cost of the program or grant? Please explain.

N/A

Current Fiscal Year **Next Fiscal Year**

$_____ $_____

_____

_____

_____

ECONOMIC IMPACT STATEMENT
OF PROPOSED RULES OR REGULATIONS
EO 05-04: Regulatory Flexibility

Department: *Arkansas Insurance Department*
Contact Person: *Amanda J. Andrews*
Contact Phone: *501-371-2841*

Division: *Legal*
Date: *August 25, 2015*
Contact Email: *amanda.andrews@arkansas.gov*

Title or Subject: *Proposed Amended Rule 50, "Continuing Education for Producers and Adjusters"*

Benefits of the Proposed Rule or Regulation

1. Explain the need for the proposed change(s). Did any complaints motivate you to pursue regulatory action? If so, please explain the nature of such complaints.
   Proposed Amended Rule 50 will permit continuing education by distance learning, provide additional continuing education for each presenter or speaker teaching a continuing education course, and instruct course providers to submit the required forms electronically.

2. What are the top three benefits of the proposed rule or regulation?
   To allow producers and adjusters to take continuing education by distance learning, to encourage more producers and/or adjusters to volunteer to teach a continuing education course, and to streamline the contiuing education reporting forms through electronic submission.

3. What, in your estimation, would be the consequence of taking no action, thereby maintaining the status quo?
   Producers and adjusters will not be able to take distance learning courses for continuing education, speakers will have no incentive to teach a continuing education course, and course presenters will be required to submit the required forms via mail or facsimile causing a delay in the reporting time.

4. Describe market-based alternatives or voluntary standards that were considered in place of the proposed regulation and state the reason(s) for not selecting those alternatives.
   N/A

Impact of Proposed Rule or Regulation

5. Estimate the cost to state government of *collecting information, completing paperwork, filing, recordkeeping, auditing and inspecting* associated with this new rule or regulation.
   None.

6. What types of small businesses will be required to comply with the proposed rule or regulation? Please estimate the number of small businesses affected.
   None.

7. Does the proposed regulation create barriers to entry? If so, please describe those barriers and why those barriers are necessary.
   None.

8. Explain the additional requirements with which small business owners will have to comply and estimate the costs associated with compliance.
   None.

9. State whether the proposed regulation contains different requirements for different sized entities, and explain why this is, or is not, necessary.
   None.

10. Describe your understanding of the ability of small business owners to implement changes required by the proposed regulation.
    None.

11. How does this rule or regulation compare to similar rules and regulations in other states or the federal government?
    Some states have a similar rule or regulation.

12. Provide a summary of the input your agency has received from small business or small business advocates about the proposed rule or regulation.
    N/A

EXHIBIT A

SUMMARY

RULE 50: CONTINUING EDUCATION FOR PRODUCERS AND ADJUSTERS

The proposed Rule's amendments amend current Rule 50 to permit licensees to obtain continuing education ("CE") through "Distance Learning" courses. The amendments to Rule 50, relating to permitting this new educational course program for CE begin in Section Four (4) (C) through G. The requirements address the following: (1) the five required parts to a Distance Learning Continuing Education courses: video imagery, interactivity, written materials, attendance verification, and a technology help line; (2) the verification process by the Distance Learning provider; and (3) the forms available on the Department's License Division website that shall be executed by the Distance Learning provider and submitted to the Department electronically so that the attendee may receive credit for the Distance Learning course.

We also made the following additional changes to the filed Rule during public comment: (1) we corrected a typo in the Effective Date section, and fixed the typo indicating the effective date of these Amendments to be 1-1-2016; (2) we did some clean up fixing Section Four (4) to simplify the birthday rule, deleting all of the older 2011 staggered even and odd birthdays and simply made the language in that section more simple by saying: "The continuing education requirements to licensees subject to this Rule shall be twenty-four (24) hours, which must include three (3) hours of ethics, due before the end of each two (2) year license renewal cycle, timed upon the licensee's date of birth as set forth in Section Six (6) in Arkansas Insurance Department Rule 57, "Insurance Department Administrative and Regulatory Fees."

The other proposed changes were clean up language in both the Rule and forms related to correspondence course certifications, and course approval forms, that apply to all types of CE. Finally, the rule proposes to amend Rule 50 to add a $100 CE provider annual provider fee for all types of CE.

EXHIBIT
10

Arkansas Insurance Department

Asa Hutchinson
Governor

Allen Kerr
Commissioner

August 25, 2015

Edward Armstrong
Office of the Attorney General
323 Center Street, Suite 200
Little Rock, AR 72201

Via Electronic Mail

RE: Arkansas Insurance Department Rule 50, "Continuing Education for Producers and Adjusters"

Dear Mr. Armstrong:

Enclosed for your review is the Arkansas Insurance Department's proposed Amended Rule 50, "Continuing Education for Producers and Adjusters." The Arkansas Insurance Department ("Department") is proposing to amend Rule 50 to permit continuing education by distance learning, provide additional continuing education to a licensee who teaches a continuing education course, and instruct course providers to submit required forms electronically.

The Department has scheduled a public hearing for September 30, 2015, at 10:00 A.M., at our office in the first floor Hearing Room, to consider adopting this proposed amended Rule.

Please do not hesitate to contact me at (501) 371-2841 or amanda.andrews@arkansas.gov if you have any questions.

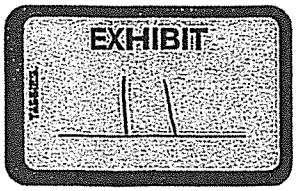
Sincerely,

Amanda J. Andrews

Amanda J. Andrews
Associate Counsel

cc: LoRraine Rowland, Administrative Analyst

encl.



Amanda Andrews

From: Amanda Andrews
Sent: Tuesday, August 25, 2015 10:45 AM
To: Edward Armstrong (edward.armstrong@arkansasag.gov)
Subject: Proposed Amended Rule 50
Attachments: doc01861520150825102431.pdf

Mr. Armstrong,

Please see attached correspondence.

Amanda J. Andrews
Associate Counsel, Legal Division
Arkansas Insurance Department
1200 West 3rd Street
Little Rock, AR 72201
Office: (501) 371-2841
Facsimile: (501) 371-2639
amanda.andrews@arkansas.gov

-----Original Message-----
From: donotreply@arkins.com [mailto:donotreply@arkins.com]
Sent: Tuesday, August 25, 2015 10:25 AM
To: Amanda Andrews
Subject:

CS 8000i
[00:c0:ee:a5:df:74]

Arkansas Insurance Department

Asa Hutchinson
Governor

Allen Kerr
Commissioner

August 25, 2015

Arkansas Secretary of State
Attn. Arkansas Register
500 Woodlane Street,
Little Rock, AR 72201

RE: Arkansas Insurance Department Rule 50, "Continuing Education for Producers and Adjusters"

Dear Secretary Martin:

The Arkansas Insurance Department is proposing to amend Rule 50, "Continuing Education for Producers and Adjusters," to permit continuing education by distance learning, provide additional continuing education to a licensee who teaches a continuing education course, and instruct course providers to submit required forms electronically. For that reason, the Department has scheduled a public hearing for September 30, 2015, at 10:00 A.M., at our office in the first floor Hearing Room, to consider adopting this proposed amended Rule. Enclosed are the Notice of Public Hearing and a copy of the proposed amended Rule.

Will you please arrange to publish the information in a format acceptable to the Secretary for at least 30 days prior to the hearing? I would appreciate it if you could provide me with a confirmation that I can use as an exhibit in the public hearing.

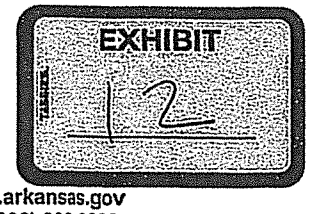
An electronic filing will be made within the statutorily required 7 days. I thank you for your help. Please do not hesitate to contact me at (501) 371-2841 or amanda.andrews@arkansas.gov if you have any questions.

Sincerely,

Amanda J. Andrews
Associate Counsel

cc: LoRraine Rowland, Administrative Analyst

encl.



1200 West Third Street, Little Rock, AR 72201-1904 · (501) 371-2600 · (501) 371-2618 fax · www.insurance.arkansas.gov
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Arkansas Insurance Department

Asa Hutchinson
Governor

Allen Kerr
Commissioner

August 25, 2015

Pat Brown
Economic Development Commission
900 W Capitol Avenue
Little Rock, AR 72201

RE: Arkansas Insurance Department Rule 50, "Continuing Education for Producers and Adjusters"

Dear Mrs. Brown:

Enclosed for your review is the Arkansas Insurance Department's proposed Amended Rule 50, "Continuing Education for Producers and Adjusters." The Department is proposing to amend Rule 50 to permit continuing education by distance learning, provide additional continuing education to a licensee who teaches a continuing education course, and instruct course providers to submit required forms electronically.

The Department has scheduled a public hearing for September 30, 2015, at 10:00 A.M., at our office in the first floor Hearing Room, to consider adopting this proposed amended Rule. I have enclosed a copy of the proposed Rule and Notice of Public Hearing.

Please do not hesitate to contact me at (501) 371-2841 or amanda.andrews@arkansas.gov if you have any questions.

Sincerely,

Amanda J. Andrews
Associate Counsel

cc: LoRraine Rowland, Administrative Analyst

encl.

1200 West Third Street, Little Rock, AR 72201-1904 · (501) 371-2600 · (501) 371-2618 fax · www.insurance.arkansas.gov
Information (800) 282-9134 · Consumer Services (800) 852-5494 · Seniors (800) 224-6330 · Criminal Inv. (866) 660-0888

LoRraine Rowland
Administrative Analyst/Legal Division
Arkansas Insurance Department
1200 West 3rd Street
Little Rock, AR 72201
501-371-2831 (office)
501-371-2639 (fax)
lorraine.rowland@arkansas.gov

"This will be the best day and the best year of my life"

From: Cindy Davidson [mailto:Cindy.Davidson@examfx.com]
Sent: Friday, September 25, 2015 11:20 AM
To: LoRraine Rowland
Subject: Proposed Amended Rule 50 comments

As an approved education provider for insurance producer continuing education in Arkansas, ExamFX appreciates the opportunity to provide input as you consider the Proposed Amendments to Rule 50, Continuing Education for Producers and Adjusters.

Our first observation has to do with Section 4. Educational Requirements, Part C Course Approval, 10.b. The language indicates "All correspondence course examinations must be proctored or include an attestation or certification to be completed by the licensee verifying that the licensee is the person who is completing the course and exam." However, Appendix G still says "All Correspondence Courses must have a proctored exam to be valid." We recommend striking this statement from Appendix G.

Cynthia Davidson
Product Director, Insurance & Securities
D 913.661.6550 | M 310.741.0207

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- Specific instructions to register, navigate and complete the course work
- Technical support/provider representative should be available during business hours and response provided within 24hours of initial contact.
- Instructors/subject matter experts must be available to answer student questions during provider business hours
- Process to authenticate student identity such as passwords and security prompts
- Method for measuring the student's successful completion of course which includes the material, exam and any proctor requirements.
- Process for requesting and receiving CE course-completion certificate and reporting student results to the appropriate regulator
- Require each agent to enroll for the course before having access to course material.
- Prevent access to the course exam before review of the course materials.
- Prevent downloading of any course exam.
- Provide review questions at the end of each unit/chapter and prevent access to the final exam until each set of questions are answered at a 70% rate.
- Provide final exam questions that do not duplicate unit/chapter questions.
- Prevent alternately accessing course materials and course exams. This does not apply if the state allows for "open book" exams.
- Have monitor affidavit containing specific monitor duties and responsibilities printed for monitor's use to direct the taking of the final exam. Monitor will complete the affidavit after the exam is completed. (This only for states that require a monitored exam).
-

Final Assessment (exam) Criteria:

- Minimum of 10 questions for 1 credit hour course with additional 5 questions for each subsequent credit hour and a score of 70% or greater
- At least enough questions to fashion a minimum of 2 versions with a least 50% of questions being new/different in each subsequent version
- Inability to print the exam or to view the exam prior to reviewing material
- Proctor, if required by the state, who verifies identity by photo identification and processes affidavit testifying the student received no outside assistance

Procedures to determine Appropriate Number of Credit Hours:

- Only mandatory interactive elements should be included in the calculation of CE credit hours.
- Calculation of CE hour credits should be based on the run time of the interactive elements.
- CE providers will indicate run time of the interactive elements in the course content and upon request provide access to the state for review of the course.

Professional Designation Course

- Course that is part of a nationally recognized professional designation
- Credit hours equivalent to hours assigned to the same classroom course material

Final Assessment

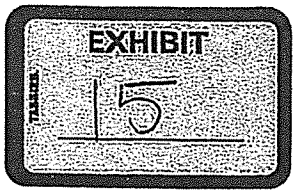
- Time spent completing the final assessment should not be used in calculation of CE credit hours.

Adopted by the PLWG in Mar, 2015

Proposed AID Edits

and Markup to

Initially Filed Proposed Rule



MARK UP PRE-FILING

RULE 50

CONTINUING EDUCATION FOR PRODUCERS AND ADJUSTERS

~~RULE 50~~

~~CONTINUING EDUCATION FOR PRODUCERS AND ADJUSTERS~~

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SECTIONS

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

APPENDICES

APPENDIX A-1	Course Application for Continuing Education
APPENDIX A-2	Adjuster Continuing Education Course Approval Form
APPENDIX A-3	Annuity Suitability Training Course Approval Form
APPENDIX B	Course Valuation
APPENDIX C	Change in Curriculum or Instructor
APPENDIX D	Application for Approval as Instructor
APPENDIX E	Individual Certificate of Completion (no longer mandated)
APPENDIX F	Request for Exemption
APPENDIX G	Affidavit of Proctor
APPENDIX H	Continuing Education Providers Reporting Roster

SECTION 1. PURPOSE

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The purpose of Rule 50 is to establish requirements and standards for continuing education for natural persons licensed as insurance producers ("producers") and adjusters by the Arkansas Insurance Commissioner (the "Commissioner").

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SECTION 2. AUTHORITY

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This Rule is issued under the authority vested in the Commissioner by Ark. Code Ann. § 23-61-108, and the Arkansas Administrative Procedure Act, codified at Ark. Code Ann. §§ 25-15-201, et seq., and Ark. Code Ann. § 23-64-304(a), as amended by Act 1203 of 2003 and Act 1697 of 2005.

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SECTION 3 EXEMPTIONS

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A. This Rule shall not apply to the following individuals:

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1. Individuals holding licenses for which an examination is not required;
2. Company employed adjusters and limited adjusters as defined in Rule and Regulation 68;
3. Any limited or restricted license the Commissioner may exempt;
4. Any individual, licensed as a resident producer prior to July 1, 2003, who is at least sixty (60) years of age;
5. Any individual, licensed as a resident producer prior to July 1, 2003, who has held a license as a producer, insurance 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 producers, non-resident consultants, and/or non-resident adjusters, unless the home state or designated home state does not have any comparable continuing education requirements;
8. Licensed insurance consultants;
9. Any producer or adjuster called to active duty in any branch of the United States military services including, but not limited to, the United States Coast Guard and Reserves, during the entire period of active duty service;
10. The exceptions contained in Subsections (A)(4) and (5) of this Section are no longer applicable to insurance producers who became resident licensees after July- 1, -2003,- or -insurance producers who have let their Arkansas producer license lapse and have become re-licensed, or to title insurance agents; and
11. Individuals (or an appointed guardian or person with an appropriately worded power of attorney) with grave or debilitating illnesses or injuries may request an extension for no more than twelve (12) months, for completion of the CE hours required for a particular licensing renewal period. The request must be accompanied by a written doctor's statement confirming the medical history and a medical estimate as to how long the individual will be unable to function normally enough to complete the rule requirements. The request from the producer must include his/her mail or electronic mail note that he/she is voluntarily waiving the private or confidential nature of the illness or injury in order to qualify for this extension. With similar documentation, including a signed note from the attending physician and a privacy waiver from and signed by the patient, producers (or the relative's appointed guardian or person with an appropriately worded power of attorney) may also file for an extension due to the terminal or debilitating illness of a grandparent, parent, spouse, sibling, or child. The Commissioner has discretion to grant such time extensions for good cause under Ark. Code Ann. § 23-64-304(b), but only up to one (1) year; and may deny requests from anyone failing, or who has in the past failed, to comply with Arkansas laws or rules, or failed to comply within any extended time period granted by the Commissioner under this subsection.

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SECTION 4. EDUCATIONAL REQUIREMENTS

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A. Number of Course Hours

1. Upon the effective date of this Rule, any non-exempt persons licensed as producers shall, biennially on or before their birthdays, satisfactorily complete a minimum of twenty-four (24) hours of continuing education instruction approved by the Commissioner, which must include at least three (3) hours of ethics in each two year license renewal cycle, if the individual is licensed to sell:

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a. Life insurance;
b. Accident and health or sickness insurance;
c. Property insurance;
d. Casualty insurance;
e. Variable products insurance; or
f. Personal lines insurance.

2. Upon the effective date of this Rule, any person who holds an adjuster license shall satisfactorily complete a minimum of twenty-four (24) hours of continuing education instruction approved by the Commissioner, which must include three (3) hours of ethics in each two year license renewal cycle. This provision shall not apply to:

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a. An adjuster that is licensed in another state;
b. The licensing state requires continuing education; and
c. The adjuster has satisfied the continuing education requirements of the licensing state or designated home state.

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3. If a person is a non-exempt producer required to obtain continuing education under this Section and a licensed adjuster, that person shall be required to meet the continuing education requirements of both licenses.

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4. The continuing education requirements in this section do not apply to title insurance agents. License renewal and continuing education requirements for title insurance agents are governed by Rule 87.

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B. Biennial Licensing Period

1. Effective until January 1, 2011, all initial licensees and all renewal licensees for the above-referenced licensees will continue to be issued on an annual basis, with the continuing education requirements of eight (8) or ten (10) hours due annually.

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2. Effective January 1, 2011, continuing education will be due biennially under the following schedule:

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a. For existing individual licensees born in odd-numbered years, a two-year license will be issued for the 2011 renewal on the licensee's birth date, and renewed biennially thereafter. Twelve hours (12) of continuing education, which must include two hours of ethics, must be completed prior to the licensee's renewal in 2011. Beginning in 2013, the continuing education requirements of twenty-four (24) hours, which must include three (3) hours of ethics, will be due at each two year license renewal cycle based on the licensee's birth date.— The first continuing education requirement of twenty-four (24) hours, which must include three (3) hours of ethics, is due by the expiration/renewal birth date in 2013, and at each subsequent two year license renewal.

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b. For existing individual licensees born in even-numbered years, a one-year license will be issued for the 2011 renewal on the licensee's birth

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date. Resident producers and adjusters will be required to have twelve (12) hours of continuing education, which must include two (2) hours of ethics, due for license renewal in 2012. -Beginning in 2012, these licensees will renew their licenses for a two-year period and renew biennially on their birth date thereafter.- The continuing education requirement of twenty-four (24) hours, which must include three (3) hours of ethics, will be due at the first two year license renewal cycle based on the licensee's birth date in 2014 and biennially on the birth date thereafter.

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c. For- new -individual- licensees- issued in 2011 and subsequent years, license renewal periods will not be based on birth year. The initial license will be issued for a two-year period and renewed biennially on the licensee's birth date thereafter.– The continuing education requirements of twenty-four (24) hours, which must include three (3) hours of ethics, will be due at each two year license renewal cycle.

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d. The continuing education requirements for resident adjusters and for those non-residents who have qualified for an Arkansas Adjuster license by taking the Arkansas adjuster exam will be 24 hours every two years of which 3 hours must be ethics. -The requirement for adjusters to complete continuing education on or before their birthday will start January 1, 2012._–Non-residents who have qualified by being licensed as an adjuster in their home state are exempt from continuing education requirements.

C. Requirements for Continuing Education to Qualify as Distance Learning

1. "Distance Learning" means a classroom educational program in which the licensee and the instructor may be in different physical locations yet interact with each other through various methods of telecommunications, including but not limited to video teleconference or webinar.
2. There shall be five required parts to a Distance Learning Continuing Education course: video imagery, interactivity, written materials, attendance verification, and a technology help line.

   a. The video imagery shall constitute a live continuing education provider or instructor, with interactive abilities, which include, but are not limited to, allowing for attendees to ask real time questions and be assisted by continuing education providers, instructors, or proctors, in real time.
   b. Written materials shall be available in hard copy or in downloadable format and may be projected as part of the video imagery during the course of the Distance Learning presentation.
   c. A technology help line shall be available prior to, during, and after the Distance Learning presentation. This technology help line shall be adequate in staff size to assist attendees within a reasonable amount of time during the course of the Distance Learning presentation.
3. The Distance Learning provider shall be able to verify attendance and shall provide that attendance verification to the Department.
4. A form shall be made available on the Department's License Division website that

shall be executed by the Distance Learning provider and submitted to the Department electronically so that the attendee may receive credit for the Distance Learning course. The form shall be submitted to the Department no later than ten days after attendee completes the Distance Learning course.

D. Course Approval

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:

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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 professional designated program;
5. Any part of the Certified Insurance Counselor Program;
6. Any course offered by Certified Health Consultant;
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 producers' association, insurance trade association, or any independent program of instruction;
10. Any correspondence courses, including, but not limited to, correspondence courses offered via the Internet, subject to the following:

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a. 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. Electronic filings with the Arkansas Insurance Department's License Division ("License Division") are encouraged and permitted;

b. All correspondence course examinations must be proctored or include an attestation or certification to be completed by the licensee verifying that the licensee is the person who is completing the course and exam;

c. Proctors must provide an affidavit attesting under oath or affirmation that the correspondence or electronic course examination was proctored and/or included the attestation or certification required by § 4D(10)(b), 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;

d. Appendix G must accompany the filing of the Appendix H roster-and these must be retained in the providers records. ~~with the License Division.~~ Correspondence course providers shall maintain all records or electronic copies of records on proctors and proctored examinations;

e. Any person with no family or financial relationship to the licensed producer or adjusters-may proctor an examination under this Rule;

f. Course providers' filings must explain how correspondence course exams will not be duplicated for any two (2) test takers; and

g. Correspondence courses approved and subsequently purchased by the producer or adjuster, prior to the effective date of this Rule, may 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 producer or adjuster 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.

~~D~~E. Course Hour Valuation

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

2. Key Components – Filings must include and clearly demonstrate:

a. Material -that -is -current, -relevant,- accurate, and that includes valid reference materials, graphics and interactivity;

b. Clearly defined objectives and course completion criteria;

c. Specific instructions to register, navigate, and complete the course work.

d. Technical -support/provider -representative -available- during- business hours;

e. Process to authenticate student identity; and

f. Method for measuring the -student's successful completion of -course material and for evaluating the learning experience.

3. Acceptable Procedures to determine Appropriate Number of Credit Hours -

Select and File one (1) of three (3) Methods below per Course:

a. Method A:

i. 600-700 words (standard font size) = one (1) text page; Formatted: Left

ii. Textbooks/workbooks/other printed material – one (1) credit for every fifteen (15) pages; Formatted: Left

iii. Three (3) screens with an aggregate total of approximately 600-700 words – one (1) text page;

iv. Forty-five (45) screens – one (1) hour of credit; Formatted: Left

v. Divide total screens by forty-five (45) – total number of credit hours; Formatted: Left

iv. Multiply number of hours by 1.00 for a basic level course; 1.25 for an intermediate level; 1.50 for an advanced course for additional study time = total number of credit hours (fractional hours rounded up if .50 or above and rounded down if .49 or less). Formatted: Left

b. Method B:

i. Divide total number of words by one hundred eighty (180) (documented average reading time) = number of minutes to read material; Formatted: Left

ii. Divide number of minutes by fifty (50) = credit hours; Formatted: Left

iii. Multiply number of hours by 1.00 for a basic level course; 1.25 for an intermediate level; 1.50 for an advanced course for additional study time = total number of credit hours (fractional hours rounded up if .50 or above and rounded down if .49 or less).

c. Method C: Formatted: Left

Oral Presentations: Providers may use the timed outline method for speeches and other oral presentations intended for continuing education credits. Providers should file a detailed description of the proposed subject of the program or course, including a timed course outline, list of any resource materials, and list of speakers or instructors or proctors.

~~E~~F. Certificates and Evidence of CE Completion

Certificates of Completion (see Appendix E) which were issued to producers prior to the effective date of this Rule will be valid for filing with the Commissioner until the expiration date listed on the certificate. Course providers are no longer required to issue Certificates of Completion. Instead, filing of CE completion will be evidenced by the course provider upon filing with the Department either an Appendix G or an Appendix H roster within ten (10) days from the completion of the course of instruction. Upon specific request, course providers may continue to issue Certificates of Completion or other evidence of course completion, but no filing of such is to be made with the Department. Formatted: Left

~~F~~G. Course Repetition

Courses may not be repeated within a 2-year period of time. Formatted: Left

SECTION 5. COURSE PROVIDER APPROVAL

A. Forms. The following forms are prescribed by the Commissioner and are attached as exhibits to this Rule. All forms are available upon request to the Department or via the Department's web site at:

http://insurance.arkansas.gov/License/forms.htm

APPENDIX A-1 Course Application for Continuing Education
APPENDIX A-2 Adjuster Continuing Education Course Approval Form
APPENDIX A-3 Annuity Suitability Training Course Approval Form
APPENDIX B Course Valuation
APPENDIX C Continuing Education Provider Application
APPENDIX D Application for Instructor Approval
APPENDIX E Individual Certificate of Completion
APPENDIX F Request for Exemption
APPENDIX G Completion of Correspondence Course and Proctor Affidavit
APPENDIX H Continuing Education Providers Reporting Roster, with Instructions

B. Application for approval as a provider shall be submitted to the License Division not less than sixty (60) days prior to the expected use of the program. ~~A provider shall include the following information in duplicate:~~ The Provider shall submit the course filing electronically.

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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.

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2. For Correspondence Course filings, the provider must append Appendix B to the electronic course filing -to show the method and calculation of the hours requested for the course.
   For Classroom ~~I~~-courses, the provider must append a detailed and timed outline of the course which is being electronically filed with Appendix B .
   For Distance Learning Courses, the provider must append to the electronic filing ~~a~~ detailed, timed outline of the course presentation, -and shall state the technological method to verify attendance and completion of the course with Appendix B.. ~~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 or proctor. Additionally, the Commissioner will accept, in lieu of Appendix "A" to this Rule, the most recent edition "Uniform Continuing Education Reciprocity Course Filing Form" published by the National Association of Insurance Commissioners. Similarly, the Commissioner may accept, in lieu of Appendices "B" through "H" to this Rule, the most recent editions of comparable forms published by the National Association of Insurance Commissioners.~~
3. Schedules of classes, seminars and meetings for all locations.

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

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D. Fees and Renewal. The fee for a provider is one hundred dollars ($100.00) annually and is renewed September 1 of each year for one hundred dollars ($100.00). Failure to renew will result in the provider, courses and instruction to become inactive, and the provider must file a new application for approval, as discussed in § 5(B) of this Rule.

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SECTION 6. INSTRUCTOR QUALIFICATIONS

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A. An approved instructor teaching any approved course of instruction or lecturing at any approved seminar or meeting shall qualify for ~~one (1) hour~~two (2) hours of credit for each hour ~~presenting~~ presented~~and/or attendance~~.

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B. Instructors -must have had specific insurance training or educational experiences

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satisfactory to and approved by the Commissioner in order to be certified to teach any part of any approved course. Each instructor must have two (2) 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 Commissioner. Applicants for approval as an instructor shall complete and submit Appendix "D" to the License Division.

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 for good cause shown in a written request.

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SECTION 7. 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 8. FEES AND COMPLIANCE

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A. For each completed course, an approved course provider shall file with the Commissioner or his/her designee a roster ~~in hard copy or~~ by -electronic ~~form~~ submission as prescribed in Appendix "H". The course provider shall electronically file the ~~Appendix "H"~~attendees roster with the Commissioner in a timely manner, but not later than ten (10) days from the completion of the course of instruction. A vendor is an individual, corporation, or legal entity hired by the Commissioner to facilitate the electronic functions of this Rule. The Commissioner may require providers to submit the course providers' Appendix "H" per course ~~on a hard copy or an electronic medium~~in electronic form to the Department, or may require the provider to submit information to an outside vendor or other parties contracting with the Commissioner to maintain and update insurance licensees' continuing education data. **If an attendee does not sign the roster provided as Appendix "H", credit will not be granted for the course.** The course provider shall maintain copies of the Appendix "H" Appendix" G" in a format that is subject to review by the Commissioner.

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B. Every person/producer subject to this Rule shall tender a $10 CE filing fee in the manner and at the time as directed by the Commissioner or by a vendor of the Commissioner until the implementation of the biennial renewal period. On or before their birthdate each biennial renewal period, Arkansas resident producers or adjusters who are required to meet continuing education requirements, must pay $20.00 continuing education filing fee in accordance with Rule 57, simultaneously with the other fees required to renew or continue licensure.

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C. Excess educational hours accumulated during any biennial period may be carried forward only to the next biennial period, subject to other limitations in this Rule. Continuing education carried forward to the following calendar year shall expire upon commencement of the second (2nd) biennial period following completion of the hours. Additional Ethic hours will carry over as regular hours and not as ethic education.

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

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SECTION 9. PENALTIES

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

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B. Any licensee fined under Ark. Code Ann. § 23-64-304(d) may request that the Commissioner seal the licensee's records at the Department regarding the fine. The underlying conduct of any licensee whose record has been sealed under Ark. Code Ann. § 23-64-304 shall be deemed as a matter of law never to have occurred, and the licensee is

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not required to disclose the violation on any subsequent application after the records are sealed.

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SECTION 10. SEVERABILITY

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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.

SECTION 11. EFFECTIVE DATE AND APPLICABILITY

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Rule 50 shall be effective on and after ~~September 30, 2010~~ and shall be applicable to those persons licensed to act as an insurance producer, adjusters ~~-~~or continuing education course provider, instructor or proctor, who must comply with Ark. Code Ann. §§ 23-64-301, et seq., and other laws for continuation of producers' licenses and for the sale of the following types of insurance, as duplicates of or in addition to any listed elsewhere in this Rule:

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A. Life, and/or accident and health insurance,
B. Property and/or casualty insurance, and
C. Personal lines and
D. Adjusters.

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~~(Signed by Jay Bradford)~~
~~JAY BRADFORD~~ALLEN KERR
INSURANCE COMMISSIONER
STATE OF ARKANSAS

~~(9-30-2010)~~
DATE

ARKANSAS INSURANCE DEPARTMENT
Appendix A-1
Producer and Title Agent Continuing Education Course Approval Form

(print in ink or type)

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Provider Name_____ Provider #: _____

Contact Person: _____ Contact Phone # _____

Contact Fax #: _____
Contact e-mail Address: _____
Course
Title_____

Will this course open to the public: _____Yes _____No

Course Type: (Select One)
Self Study (complete formula on appendix B)

Correspondence _____
Teleconference _____
~~Webinar~~
Video/Audio/CD/DVD _____

Class Room (attach a timed outline of the class presentation)
Seminar _____

Distance Learning _____

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Special note: Hours awarded for self study course will be based on the formula on Appendix B. All self study courses must have a proctored exam.

Course Field of Study (select only one)

Topic:	**Hours Requested**	**Hours Approved**
_____Accident/Sickness/Health	_____	_____
_____Property/Casualty	_____	_____
_____Life	_____	_____
_____Personal Lines	_____	_____
_____Ethics	_____	_____
_____Annuities	_____	_____
_____Variable Products	_____	_____
_____Flood	_____	_____
_____Workers Compensation	_____	_____
_____Property (only)	_____	_____
_____Casualty (only)	_____	_____
_____Title	_____	_____
_____Title Ethics	_____	_____

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Signature of Provider Representative_____
Date: _____ Provider Representative's Phone Number :_____

Department Use Only:
Approved by: _____
Date: _____

Declined by: _____
Date:_____

Course Number Assigned _____

ARKANSAS INSURANCE DEPARTMENT
Appendix A-2
Adjuster Continuing Education Course Approval Form

(print in ink or type)

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Provider Name_____ Provider #: _____

Contact Person: _____ Contact Phone # _____

Contact Fax #: _____ Contact e-mail Address: _____

Course Title_____

Will this course open to the public: _____Yes _____No

Course Type: (Select One)

Self Study (complete formula on appendix B)

Correspondence _____
Teleconference _____
~~Webinar~~ _____
Video/Audio/CD/DVD _____

Class Room (attach a timed outline of the class presentation)

Seminar _____

Distance Learning _____

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Special note: Hours awarded for self study course will be based on the formula on Appendix B. All self study courses must have a proctored exam.

Course Field of Study (select only one)

Topic:	**Hours Requested**	**Hours Approved**
_____Property/Casualty	_____	_____
_____Ethics	_____	_____
_____Workers Compensation	_____	_____
_____Property (only)	_____	_____
_____Casualty (only)	_____	_____

Signature of Provider Representative_____
Date: _____

Provider Representative's Phone Number _____

Department Use Only:
Approved by: _____ Date: _____

Declined by: _____
Date:_____

Course Number Assigned _____

ARKANSAS INSURANCE DEPARTMENT
Appendix A-3
Annuity Suitability Training Course Approval Form

(print in ink or type)

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Provider Name_____ Provider #: _____

Contact Person: _____ Contact Phone # _____

Contact Fax #: _____

Contact e-mail Address: _____

Course
Title_____
Will this course be open to the public: _____Yes _____No

Course Type: (Select One)

Self Study (complete formula on appendix B)
Correspondence _____
Teleconference _____
~~Webinar~~ _____
Video/Audio/CD/DVD _____

Class Room (attach a timed outline of the class presentation)
Seminar _____
Distance Learning _____

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Special note: Hours awarded for self study course will be based on the formula on Appendix B. All self study courses must have a proctored exam.

Signature of Provider Representative_____
Date: _____

Provider Representative's Phone Number _____

Department Use Only:
Approved by: _____ Date: _____

Declined by: _____
Date:_____

Course Number Assigned _____

ARKANSAS INSURANCE DEPARTMENT
APPENDIX B
COURSE VALUATION
FOR USE WITH RULE 50

All **Correspondence Courses** must use one of the following formulas to calculate the number of hours for the course: (round up fractional hours if .50 or above)
Correspondence courses include Webinar, teleconference and video/Audio/CD/DVD self study

All **Classroom** courses must have a timed outline of the oral presentation attached to this form.

Formula A:
Textbooks---1 credit for every 15 pages--600-700 words equal one text page
Computer course---3 screens equals 1 text page (aggregate total of 600 to 700 words per screen)
Forty-five (45) screens equal 1 credit hour
Multiply credit hours by 1.00 for basic level course; 1.25 for intermediate level course and 1.50 for advanced course. Total equals number of credit hours.

Formula B:
Divide the total number of words by 180=number of minutes to read material
Divide number of minutes by 50=credit hours
Multiply number of hours by 1.00 for basic level course; 1.25 for intermediate course and 1.50 for advanced course

1. Course Name: _____
2. Method Used for Valuation: Formula A Formula B Classroom
   (Circle One)
3. If using formula A or formula B provide calculation below:

_____

_____

_____

Formula C: If classroom, distantce learning or seminar, -attach a detailed and timed outline of the class or seminar. For distant learning,- a detailed timed -outline of the course and document is the way attendance is verified.

Department Use:
Notes: _____

_____

ARKANSAS INSURANCE DEPARTMENT
APPENDIX C
CONTINUING EDUCATION PROVIDER APPLICATION

Name of Provider: _____ Formatted: Left

Address: _____
Street or P.O. Box City State Zip

Phone Number: _____ Fax # _____

Name of Contact Person #1 _____

Contact Person Phone # _____ Fax # _____

Contact Person E-mail: _____

Name of Contact Person #2 _____

Contact Person Phone # _____ Fax # _____

Contact Person E-mail: _____

What other States are you approved as a Provider of Continuing Education:

_____

_____

List Representatives Authorized to Sign Certificates for Provider:

Name	Title	Signature

Type of Courses Provider Will Offer: (check all that apply)

_____ Producer (agent/broker) _____ Title _____ Adjuster

Signed _____

Printed Name _____

Title _____

Dated _____ Formatted: Left

*******THIS FORM IS TO BE SUBMITTED WITH A REGISTRATION FEE OF $100*******

For Department Use:
Fee Received: _____ **Check or Route Slip:** _____

Approved by _____ **Date:** _____

Disapproved by _____ **Date:** _____

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POST-FILING EDITS

RULE 50
CONTINUING EDUCATION FOR PRODUCERS AND ADJUSTERS

SECTIONS

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

APPENDICES

APPENDIX A-1	Course Application for Continuing Education
APPENDIX A-2	Adjuster Continuing Education Course Approval Form
APPENDIX A-3	Annuity Suitability Training Course Approval Form
APPENDIX B	Course Valuation
APPENDIX C	Change in Curriculum or Instructor
APPENDIX D	Application for Approval as Instructor
APPENDIX E	Individual Certificate of Completion (no longer mandated)
APPENDIX F	Request for Exemption
APPENDIX G	Affidavit of Proctor
APPENDIX H	Continuing Education Providers Reporting Roster

SECTION 1. PURPOSE

The purpose of Rule 50 is to establish requirements and standards for continuing education for natural persons licensed as insurance producers ("producers") and adjusters by the Arkansas Insurance Commissioner (the "Commissioner").

SECTION 2. AUTHORITY

This Rule is issued under the authority vested in the Commissioner by Ark. Code Ann. § 23-61-108, and the Arkansas Administrative Procedure Act, codified at Ark. Code Ann. §§ 25-15-201, et seq., and Ark. Code Ann. § 23-64-304(a), as amended by Act 1203 of 2003 and Act 1697 of 2005.

SECTION 3 EXEMPTIONS

A. This Rule shall not apply to the following individuals:

1. Individuals holding licenses for which an examination is not required;
2. Company employed adjusters and limited adjusters as defined in Rule and Regulation 68;
3. Any limited or restricted license the Commissioner may exempt;
4. Any individual, licensed as a resident producer prior to July 1, 2003, who is at least sixty (60) years of age;
5. Any individual, licensed as a resident producer prior to July 1, 2003, who has held a license as a producer, insurance 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 producers, non-resident consultants, and/or non-resident adjusters, unless the home state or designated home state does not have any comparable continuing education requirements;
8. Licensed insurance consultants;
9. Any producer or adjuster called to active duty in any branch of the United States military services including, but not limited to, the United States Coast Guard and Reserves, during the entire period of active duty service;
10. The exceptions contained in Subsections (A)(4) and (5) of this Section are no longer applicable to insurance producers who became resident licensees after July 1, 2003, or insurance producers who have let their Arkansas producer license lapse and have become re-licensed, or to title insurance agents; and
11. Individuals (or an appointed guardian or person with an appropriately worded power of attorney) with grave or debilitating illnesses or injuries may request an extension for no more than twelve (12) months, for completion of the CE hours required for a particular licensing renewal period. The request must be accompanied by a written doctor's statement confirming the medical history and a medical estimate as to how long the individual will be unable to function normally enough to complete the rule requirements. The request from the producer must include his/her mail or electronic mail note that he/she is voluntarily waiving the private or confidential nature of the illness or injury in order to qualify for this extension. With similar documentation, including a signed note from the attending physician and a privacy waiver from and signed by the patient, producers (or the relative's appointed guardian or person with an appropriately worded power of attorney) may also file for an extension due to the terminal or debilitating illness of a grandparent, parent, spouse, sibling, or child. The Commissioner has discretion to grant such time extensions for good cause under Ark. Code Ann. § 23-64-304(b), but only up to one (1) year; and may deny requests from anyone failing, or who has in the past failed, to comply with Arkansas laws or rules, or failed to comply within any extended time period granted by the Commissioner under this subsection.

SECTION 4. EDUCATIONAL REQUIREMENTS

A. Number of Course Hours

1. Upon the effective date of this Rule, any non-exempt persons licensed as producers shall, biennially on or before their birthdays, satisfactorily complete a minimum of twenty-four (24) hours of continuing education instruction approved by the Commissioner, which must include at least three (3) hours of ethics in each two year license renewal cycle, if the individual is licensed to sell:

a. Life insurance;
b. Accident and health or sickness insurance;
c. Property insurance;
d. Casualty insurance;
e. Variable products insurance; or
f. Personal lines insurance.

2. Upon the effective date of this Rule, any person who holds an adjuster license shall satisfactorily complete a minimum of twenty-four (24) hours of continuing education instruction approved by the Commissioner, which must include three (3) hours of ethics in each two year license renewal cycle. This provision shall not apply to:

   a. An adjuster that is licensed in another state;
   b. The licensing state requires continuing education; and
   c. The adjuster has satisfied the continuing education requirements of the licensing state or designated home state.

3. If a person is a non-exempt producer required to obtain continuing education under this Section and a licensed adjuster, that person shall be required to meet the continuing education requirements of both licenses.

4. The continuing education requirements in this section do not apply to title insurance agents. License renewal and continuing education requirements for title insurance agents are governed by Rule 87.

B. Biennial Licensing Period

~~1. Effective until January 1, 2011, all initial licensees and all renewal licensees for the above referenced licensees will continue to be issued on an annual basis, with the continuing education requirements of eight (8) or ten (10) hours due annually.~~

~~2. Effective January 1, 2011, continuing education will be due biennially under the following schedule:~~

~~a. For existing individual licensees born in odd numbered years, a two year license will be issued for the 2011 renewal on the licensee's birth date, and renewed biennially thereafter. Twelve hours (12) of continuing education, which must include two hours of ethics, must be completed prior to the licensee's renewal in 2011. Beginning in 2013, the continuing education requirements of twenty four (24) hours, which must include three (3) hours of ethics, will be due at each two year license renewal cycle based on the licensee's birth date. The first continuing education requirement of twenty four (24) hours, which must include three (3) hours of ethics, is due by the expiration/renewal birth date in 2013, and at each subsequent two year license renewal.~~

~~b. For existing individual licensees born in even numbered years, a one year license will be issued for the 2011 renewal on the licensee's birth~~

~~date. Resident producers and adjusters will be required to have twelve (12) hours of continuing education, which must include two (2) hours of ethics, due for license renewal in 2012. Beginning in 2012, these licensees will renew their licenses for a two-year period and renew biennially on their birth date thereafter. The continuing education requirement of twenty-four (24) hours, which must include three (3) hours of ethics, will be due at the first two-year license renewal cycle based on the licensee's birth date in 2014 and biennially on the birth date thereafter.~~

~~c. For new individual licensees issued in 2011 and subsequent years, license renewal periods will not be based on birth year. The initial license will be issued for a two-year period and renewed biennially on the licensee's birth date thereafter. The continuing education requirements of twenty-four (24) hours, which must include three (3) hours of ethics, will be due at each two-year license renewal cycle.~~

~~d. The continuing education requirements for resident adjusters and for those non-residents who have qualified for an Arkansas Adjuster license by taking the Arkansas adjuster exam will be 24 hours every two years of which 3 hours must be ethics. The requirement for adjusters to complete continuing education on or before their birthday will start January 1, 2012. Non-residents who have qualified by being licensed as an adjuster in their home state are exempt from continuing education requirements.~~

1. The continuing education requirements to licensees subject to this Rule shall be twenty-four (24) hours, which must include three (3) hours of ethics, due before the end of each two (2) year license renewal cycle, timed upon the licensee's date of birth as set forth in Section Six (6) in Arkansas Insurance Department Rule 57, "Insurance Department Administrative and Regulatory Fees."

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C. Requirements for Continuing Education to Qualify as Distance Learning

1. "Distance Learning" means a classroom educational program in which the licensee and the instructor may be in different physical locations yet interact with each other through various methods of telecommunications, including but not limited to video teleconference or webinar.
2. There shall be five required parts to a Distance Learning Continuing Education course: video imagery, interactivity, written materials, attendance verification, and a technology help line.

   a. The video imagery shall constitute a live continuing education provider or instructor, with interactive abilities, which include, but are not limited to, allowing for attendees to ask real time questions and be assisted by continuing education providers, instructors, or proctors, in real time.
   b. Written materials shall be available in hard copy or in downloadable format and may be projected as part of the video imagery during the course of the Distance Learning presentation.

c. A technology help line shall be available prior to, during, and after the Distance Learning presentation. This technology help line shall be adequate in staff size to assist attendees within a reasonable amount of time during the course of the Distance Learning presentation.

3. The Distance Learning provider shall be able to verify attendance and shall provide that attendance verification to the Department.
4. A form shall be made available on the Department's License Division website that shall be executed by the Distance Learning provider and submitted to the Department electronically so that the attendee may receive credit for the Distance Learning course. The form shall be submitted to the Department no later than ten days after attendee completes the Distance Learning course.

D. Course Approval

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 professional designated program;
5. Any part of the Certified Insurance Counselor Program;
6. Any course offered by Certified Health Consultant;
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 producers' association, insurance trade association, or any independent program of instruction;
10. Any correspondence courses, including, but not limited to, correspondence courses offered via the Internet, subject to the following:

    a. 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. Electronic filings with the Arkansas Insurance Department's License Division ("License Division") are encouraged and permitted;
    b. All correspondence course examinations must be proctored or include an attestation or certification to be completed by the licensee verifying that the licensee is the person who is completing the course and exam;
    c. Proctors must provide an affidavit attesting under oath or affirmation that the correspondence or electronic course examination was proctored and/or included the attestation or certification required by § 4D(10)(b), 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;
    d. Appendix G must accompany the filing of the Appendix H roster and these must be retained in the providers records.

Correspondence course providers shall maintain all records or electronic copies of records on proctors and proctored examinations;

e. Any person with no family or financial relationship to the licensed producer or adjusters may proctor an examination under this Rule;

f. Course providers' filings must explain how correspondence course exams will not be duplicated for any two (2) test takers; and

g. Correspondence courses approved and subsequently purchased by the producer or adjuster, prior to the effective date of this Rule, may 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 producer or adjuster 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.

E. Course Hour Valuation

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

2. Key Components – Filings must include and clearly demonstrate:

a. Material that is current, relevant, accurate, and that includes valid reference materials, graphics and interactivity;

b. Clearly defined objectives and course completion criteria;

c. Specific instructions to register, navigate, and complete the course work.

d. Technical support/provider representative available during business hours;

e. Process to authenticate student identity; and

f. Method for measuring the student's successful completion of course material and for evaluating the learning experience.

3. Acceptable Procedures to determine Appropriate Number of Credit Hours - Select and File one (1) of three (3) Methods below per Course:

a. Method A:

ii. Textbooks/workbooks/other printed material – one (1) credit for every fifteen (15) pages;

iii. Three (3) screens with an aggregate total of approximately 600-700 words – one (1) text page;

iv. Forty-five (45) screens – one (1) hour of credit;

v. Divide total screens by forty-five (45) – total number of credit hours;

iv. Multiply number of hours by 1.00 for a basic level course; 1.25 for an intermediate level; 1.50 for an advanced course for additional study time = total number of credit hours (fractional hours rounded up if .50 or above and rounded down if .49 or less).

b. Method B:

i. Divide total number of words by one hundred eighty (180) (documented average reading time) = number of minutes to read material;

ii. Divide number of minutes by fifty (50) = credit hours;

iii. Multiply number of hours by 1.00 for a basic level course; 1.25

for an intermediate level; 1.50 for an advanced course for additional study time = total number of credit hours (fractional hours rounded up if .50 or above and rounded down if .49 or less).

c. Method C:

Oral Presentations: Providers may use the timed outline method for speeches and other oral presentations intended for continuing education credits. Providers should file a detailed description of the proposed subject of the program or course, including a timed course outline, list of any resource materials, and list of speakers or instructors or proctors.

F. Certificates and Evidence of CE Completion

Certificates of Completion (see Appendix E) which were issued to producers prior to the effective date of this Rule will be valid for filing with the Commissioner until the expiration date listed on the certificate. Course providers are no longer required to issue Certificates of Completion. Instead, filing of CE completion will be evidenced by the course provider upon filing with the Department either an Appendix G or an Appendix H roster within ten (10) days from the completion of the course of instruction. Upon specific request, course providers may continue to issue Certificates of Completion or other evidence of course completion, but no filing of such is to be made with the Department.

G. Course Repetition

Courses may not be repeated within a 2-year period of time.

SECTION 5. COURSE PROVIDER APPROVAL

A. Forms. The following forms are prescribed by the Commissioner and are attached as exhibits to this Rule. All forms are available upon request to the Department or via the Department's web site at:

http://insurance.arkansas.gov/License/forms.htm

APPENDIX A-1	Course Application for Continuing Education
APPENDIX A-2	Adjuster Continuing Education Course Approval Form
APPENDIX A-3	Annuity Suitability Training Course Approval Form
APPENDIX B	Course Valuation
APPENDIX C	Continuing Education Provider Application
APPENDIX D	Application for Instructor Approval
APPENDIX E	Individual Certificate of Completion
APPENDIX F	Request for Exemption
APPENDIX G	Completion of Correspondence Course and Proctor Affidavit
APPENDIX H	Continuing Education Providers Reporting Roster, with Instructions

B. Application for approval as a provider shall be submitted to the License Division not less than sixty (60) days prior to the expected use of the program. The Provider shall submit the course filing electronically.

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.
2. For Correspondence Course filings, the provider must append Appendix B to the electronic course filing to show the method and calculation of the hours requested for the course.

For Classroom courses, the provider must append a detailed and timed outline of the course which is being electronically filed with Appendix B .
For Distance Learning Courses, the provider must append to the electronic filing a detailed, timed outline of the course presentation, and shall state the technological method to verify attendance and completion of the course with Appendix B..

3. Schedules of classes, seminars and meetings for all locations.

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

D. Fees and Renewal. The fee for a provider is one hundred dollars ($100.00) annually and is renewed September 1 of each year for one hundred dollars ($100.00). Failure to renew will result in the provider, courses and instruction to become inactive, and the provider must file a new application for approval, as discussed in § 5(B) of this Rule.

SECTION 6. INSTRUCTOR QUALIFICATIONS

A. An approved instructor teaching any approved course of instruction or lecturing at any approved seminar or meeting shall qualify for two (2) hours of credit for each hour presented.

B. Instructors must have had specific insurance training or educational experiences satisfactory to and approved by the Commissioner in order to be certified to teach any part of any approved course. Each instructor must have two (2) 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 Commissioner. Applicants for approval as an instructor shall complete and submit Appendix "D" to the License Division.

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 for good cause shown in a written request.

SECTION 7. 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 8. FEES AND COMPLIANCE

A. For each completed course, an approved course provider shall file with the Commissioner or his/her designee a roster by electronic submission as prescribed in Appendix "H". The course provider shall electronically file the attendees roster with the Commissioner in a timely manner, but not later than ten (10) days from the completion of the course of instruction. A vendor is an individual, corporation, or legal entity hired by the Commissioner to facilitate the electronic functions of this Rule. The Commissioner may require providers to submit the course providers' Appendix "H" per course in electronic form to the Department, or may require the provider to submit information to an outside vendor or other parties contracting with the Commissioner to maintain and update insurance licensees' continuing education data. **If an attendee does not sign the roster provided as Appendix "H", credit will not be granted for the course.** The

course provider shall maintain copies of the Appendix "H" Appendix" G" in a format that is subject to review by the Commissioner.

B. Every person/producer subject to this Rule shall tender a $10 CE filing fee in the manner and at the time as directed by the Commissioner or by a vendor of the Commissioner until the implementation of the biennial renewal period. On or before their birthdate each biennial renewal period, Arkansas resident producers or adjusters who are required to meet continuing education requirements, must pay $20.00 continuing education filing fee in accordance with Rule 57, simultaneously with the other fees required to renew or continue licensure.

C. Excess educational hours accumulated during any biennial period may be carried forward only to the next biennial period, subject to other limitations in this Rule. Continuing education carried forward to the following calendar year shall expire upon commencement of the second (2nd) biennial period following completion of the hours. Additional Ethic hours will carry over as regular hours and not as ethic education.

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

SECTION 9. PENALTIES

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

B. Any licensee fined under Ark. Code Ann. § 23-64-304(d) may request that the Commissioner seal the licensee's records at the Department regarding the fine. The underlying conduct of any licensee whose record has been sealed under Ark. Code Ann. § 23-64-304 shall be deemed as a matter of law never to have occurred, and the licensee is not required to disclose the violation on any subsequent application after the records are sealed.

SECTION 10. 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.

SECTION 11. EFFECTIVE DATE AND APPLICABILITY

Rule 50 shall be effective on and after January 1, 2016 and shall be applicable to those persons licensed to act as an insurance producer, adjuster or continuing education course provider, instructor or proctor, who must comply with Ark. Code Ann. §§ 23-64-301, et seq., and other laws for continuation of producers' licenses and for the sale of the following types of insurance, as duplicates of or in addition to any listed elsewhere in this Rule:

A. Life, and/or accident and health insurance,
B. Property and/or casualty insurance, and
C. Personal lines and
D. Adjusters.

ALLEN KERR
INSURANCE COMMISSIONER
STATE OF ARKANSAS

DATE

ARKANSAS INSURANCE DEPARTMENT
Appendix A-1
Producer and Title Agent Continuing Education Course Approval Form

(print in ink or type)

Provider Name_____Provider #: _____

Contact Person: _____ Contact Phone # _____

Contact Fax #: _____
Contact e-mail Address: _____
Course
Title_____

Will this course open to the public: _____Yes _____No

Course Type: (Select One)
Self Study (complete formula on appendix B)

Correspondence _____
Teleconference _____
Video/Audio/CD/DVD _____

Class Room (attach a timed outline of the class presentation)
Seminar _____

Distance Learning _____

Special note: Hours awarded for self study course will be based on the formula on Appendix B. All self study courses must have a proctored exam.

Course Field of Study (select only one)

Topic:	**Hours Requested**	**Hours Approved**
_____Accident/Sickness/Health	_____	_____
_____Property/Casualty	_____	_____
_____Life	_____	_____
_____Personal Lines	_____	_____
_____Ethics	_____	_____
_____Annuities	_____	_____
_____Variable Products	_____	_____
_____Flood	_____	_____
_____Workers Compensation	_____	_____
_____Property (only)	_____	_____
____Casualty (only)	_____	_____
_____Title	_____	_____
_____Title Ethics	_____	_____

Signature of Provider Representative_____
Date: _____ Provider Representative's Phone Number :_____

Department Use Only:
Approved by: _____
Date: _____

Declined by: _____
Date:_____

Course Number Assigned _____

ARKANSAS INSURANCE DEPARTMENT
Appendix A-2
Adjuster Continuing Education Course Approval Form

(print in ink or type)

Provider Name_____ Provider #: _____

Contact Person: _____ Contact Phone # _____

Contact Fax #: _____ Contact e-mail Address: _____

Course Title_____

Will this course open to the public: _____Yes _____No

Course Type: (Select One)

Self Study (complete formula on appendix B)
Correspondence _____
Teleconference _____
Video/Audio/CD/DVD _____
_____

Class Room (attach a timed outline of the class presentation)
Seminar _____

Distance Learning _____

Special note: Hours awarded for self study course will be based on the formula on Appendix B. All self study courses must have a proctored exam.

Course Field of Study (select only one)

Topic:	**Hours Requested**	**Hours Approved**
_____Property/Casualty	_____	_____
_____Ethics	_____	_____
_____Workers Compensation	_____	_____
_____Property (only)	_____	_____
_____ Casualty (only)	_____	_____
_____		

Signature of Provider Representative_____
Date: _____

Provider Representative's Phone Number _____

Department Use Only:
Approved by: _____ Date: _____

Declined by: _____
Date: _____

Course Number Assigned _____

ARKANSAS INSURANCE DEPARTMENT
Appendix A-3
Annuity Suitability Training Course Approval Form

(print in ink or type)

Provider Name_____ Provider #: _____

Contact Person: _____ Contact Phone # _____

Contact Fax #: _____

Contact e-mail Address: _____

Course Title_____

Will this course be open to the public: _____Yes _____No

Course Type: (Select One)

Self Study (complete formula on appendix B)
Correspondence _____
Teleconference - _____
Video/Audio/CD/DVD _____
_____

Class Room (attach a timed outline of the class presentation)
Seminar _____

Distance Learning _____

Special note: Hours awarded for self study course will be based on the formula on Appendix B. All self study courses must have a proctored exam.

Signature of Provider Representative_____
Date: _____

Provider Representative's Phone Number _____

Department Use Only:
Approved by: _____ Date: _____

Declined by: _____
Date:_____

Course Number Assigned _____

ARKANSAS INSURANCE DEPARTMENT
APPENDIX B
COURSE VALUATION
FOR USE WITH RULE 50

All **Correspondence Courses** must use one of the following formulas to calculate the number of hours for the course: (round up fractional hours if .50 or above)
Correspondence courses include Webinar, teleconference and video/Audio/CD/DVD self study

All **Classroom** courses must have a timed outline of the oral presentation attached to this form.

Formula A:
Textbooks---1 credit for every 15 pages--600-700 words equal one text page
Computer course---3 screens equals 1 text page (aggregate total of 600 to 700 words per screen)
Forty-five (45) screens equal 1 credit hour
Multiply credit hours by 1.00 for basic level course; 1.25 for intermediate level course and 1.50 for advanced course. Total equals number of credit hours.

Formula B:
Divide the total number of words by 180=number of minutes to read material
Divide number of minutes by 50=credit hours
Multiply number of hours by 1.00 for basic level course; 1.25 for intermediate course and 1.50 for advanced course

1. Course Name: _____
2. Method Used for Valuation: Formula A Formula B Classroom
   (Circle One)
3. If using formula A or formula B provide calculation below:

_____

_____

_____

Formula C: If classroom, distance learning or seminar, attach a detailed and timed outline of the class or seminar. For distant learning, a detailed timed outline of the course and document is the way attendance is verified.

Department Use:
Notes: _____

_____

ARKANSAS INSURANCE DEPARTMENT
APPENDIX C
CONTINUING EDUCATION PROVIDER APPLICATION

Name of Provider: _____

Address: _____
Street or P.O. Box City State Zip

Phone Number: _____ Fax # _____

Name of Contact Person #1 _____

Contact Person Phone # _____ Fax # _____

Contact Person E-mail: _____

Name of Contact Person #2 _____

Contact Person Phone # _____ Fax # _____

Contact Person E-mail: _____

What other States are you approved as a Provider of Continuing Education:

_____

_____

List Representatives Authorized to Sign Certificates for Provider:

Name	Title	Signature

Type of Courses Provider Will Offer: (check all that apply)

_____ Producer (agent/broker) _____ Title _____ Adjuster

Signed _____

Printed Name _____

Title _____

Dated _____

*********THIS FORM IS TO BE SUBMITTED WITH A REGISTRATION FEE OF $100*********

For Department Use:
Fee Received: _____ **Check or Route Slip:** _____

Approved by _____ **Date:** _____

Disapproved by _____ **Date:** _____

ARKANSAS INSURANCE DEPARTMENT
APPENDIX D
APPLICATION FOR INSTRUCTOR APPROVAL
FOR USE WITH RULE 50

Provider Name: _____ Provider # _____

Contact Person _____ Phone # _____

Instructor Information

1. Applicant Name

_____

2. Applicant's Contact Address:

_____
Street or P.O. Box City, State Zip

3. Applicant's Phone # _____ Applicant's Fax Number _____
4. Applicant's e-mail address _____

Qualifications of Instructor:

The applicant can attach a Resume or Curriculum Vitae.

5. Summarize all prior insurance experience which totals 2 or more years. (Attach additional sheets if necessary). If you do not have insurance experience—enter N/A

_____

_____

6. Please summarize insurance education, including but not limited to college or university insurance course hours. Include any professional designations or number of hours obtained toward professional designation.

_____

_____

7. List all current resident and non-resident insurance licenses you currently hold. List the
State of issue, License Type and License#. _____

_____

8. Have you ever been involved in an administrative proceeding regarding any professional license?
____Yes ___No If yes attach full detailed statement and copies of official documents.

Course of Instruction

9. What type courses of instruction do you propose to serve as instructor?

_____

_____

I hereby certify that, under penalty of perjury, all the information submitted in this application and attachments is true and complete.

_____ _____
Signature Date

Department Use Only
Approved by _____ Date _____
Disapproved by _____ Date _____

ARKANSAS INSURANCE DEPARTMENT

APPENDIX E
INDIVIDUAL CERTIFICATE OF COMPLETION
FOR USE WITH RULE 50

_____ _____
Producer Name (Type or Print) Arkansas License Number(s)

_____
Street Address City State Zip Code

I, _____,
Authorized Representative (Type or Print)

of _____,
Course Provider

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

Course Title _____

Number of Credit Hours Earned _____ Course Number_____

Date of Course Completion _____

This course has been approved by the Arkansas Department of Insurance pursuant to Rule 50.

_____ _____
Date Signature of Authorized Representative

_____ _____
Date Signature of Producer

THIS FORM MAY BE PROVIDED TO THE PRODUCER UPON COMPLETION OF THE COURSE IF REQUESTED BY THE PRODUCER.

ARKANSAS INSURANCE DEPARTMENT

APPENDIX F REQUEST FOR EXEMPTION FOR USE WITH RULE 50

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

Under Arkansas Code §23-64-302(3) and (4) as amended, I held an Arkansas producer license before July 1, 2003, and now am requesting the following exemption(s) Continuing Education Hours:

_____ 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, producer for a period of fifteen (15) consecutive years. Date first licensed _____

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)
Arkansas License Number(s)	Street Address
Telephone Number	City, State, Zip

E-MAIL ADDRESS: _____

Subscribed and sworn to or affirmed before me a notary public in and for the State of _____ on this _____ day of _____, 20____.

(Notary seal)

Notary Public

My Commission expires

_____

ARKANSAS INSURANCE DEPARTMENT
APPENDIX G
CORRESPONDENCE COURSE
CERTIFICATION OF COMPLETION AND PROCTOR AFFIDAVIT
FOR USE WITH RULE 50

All Correspondence Courses must have a proctored exam to be valid. Form must be typed or printed.

LICENSEE'S INFORMATION
Name of Licensee: _____
Licensee's's License # _____
Resident Address: _____
Street or P.O. Box City or State Zip
Business Phone # _____
Producer Signature _____ Date _____

PROCTOR INFORMATION:
Proctors Name: Proctors _____
Address: Proctors Phone _____
Number: _____
Proctors Driver's License # _____ State of Issue _____
Start Time of Exam _____ End Time of Exam _____
Date of Completion of Examination _____
Location of Examination _____

ATTESTATION:
I do hereby solemnly attest that I proctored the above correspondence examination provided to the above name licensee and that the examination was provided as instructed by the Course Provider. I assure the Commissioner that no attendee 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, and I have no special interest to ensure the licensee passes the examination. I understand that this affidavit is provided under oath or affirmation, and that false information shall be grounds for possible Arkansas Insurance Code or Rule penalties.

_____ _____
Signature of Proctor Date

Once Licensee has tested and Proctor has completed form—Provider completes and sends to Department

CONTINUING EDUCATION PROVIDER INFORMATION (Completed by Provider only)
Course Name _____ Course # _____
Provider Name _____ Provider's # _____

Signature of Provider Responsible Contact
Date:

Instructions:
This completed form is to be returned to the Provider of the Course. No credit for the course will be given until the Provider has received this document. The Provider will provide a copy of this form to the Insurance Department by electronic media.

APPENDIX H
CONTINUING EDUCATION PROVIDERS
REPORTING ROSTER OF CONTINUING EDUCATION COMPLETION
FOR USE WITH RULE 50

1. Provider Name _____
2. Provider Number _____
3. Provider Contact Name _____
4. Phone Number _____
5 Date of Roster Submission
6. CE Course Title

National Producer Number	[8] Name of Licensee Printed Name(use full legal name)	[9] Signature of Licensee	[10] Date of Completion	[11] Course Number	[12] Credit hrs

ARKANSAS INSURANCE DEPARTMENT
1200 WEST THIRD STREET
LITTLE ROCK AR 72201
PHONE: 501-371-2750

Instructions for Appendix H
Continuing Education Providers Reporting Roster
For Use with Rule 50

Complete Items 1-12.

1. Provider Name---complete name of CE course provider
2. Provider Number---the number assigned to the provider by the Insurance Department
3. Provider Contact Name---the individual staff should contact for questions on the form
4. Phone Number---the provider's number staff should call for questions on the form
5. Date of Roster Submission---date the form is being sent to the Insurance Department; but in any event no later than twenty (20) days after the completion of the course
6. Course Title---the name of the course taken by the licensee
7. National Producer Number (NPN)--- licensee's number assigned by the Department
8. Name of licensee --print the name of the producer (full legal name)
9. Signature of licensee --the licensee must sign the roster, Appendix H
10. Date of completion---the date the course was completed by the licensee
11. Course Number---the number assigned by the Department to the course
12. Credit Hours---the hours credited for completion of the course when approved by the Department

If you should have any questions regarding this form, please contact the Department License Division at 501-371-2750; or email insurance.license@arkansas.gov.

Arkansas Insurance Department

Asa Hutchinson
Governor

Allen Kerr
Commissioner

August 25, 2015

Justin Tate
Office of the Governor
State Capitol Building
Little Rock, AR 72201

Via Electronic Mail

RE: Arkansas Insurance Department Rule 50, "Continuing Education for Producers and Adjusters"

Dear Mr. Tate:

Enclosed for your review is the Arkansas Insurance Department's proposed Amended Rule 50 "Continuing Education for Producers and Adjusters." The Arkansas Insurance Department ("Department") is proposing to amend Rule 50 to permit continuing education by distance learning, provide additional continuing education to a licensee who teaches a continuing education course, and instruct course providers to submit required forms electronically.

The Department has scheduled a public hearing for September 30, 2015, at 10:00 A.M., at our office in the first floor Hearing Room, to consider adopting this proposed amended Rule.

Please do not hesitate to contact me at (501) 371-2841 or amanda.andrews@arkansas.gov if you have any questions.

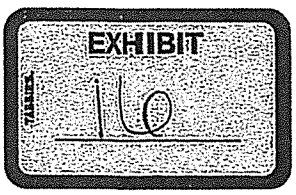
Sincerely,

Amanda J. Andrews

Amanda J. Andrews
Associate Counsel

cc: LoRraine Rowland, Administrative Analyst

encl.



1200 West Third Street, Little Rock, AR 72201-1904 · (501) 371-2600 · (501) 371-2618 fax · www.insurance.arkansas.gov
Information (800) 282-9134 · Consumer Services (800) 852-5494 · Seniors (800) 224-6330 · Criminal Inv. (866) 660-0888

Amanda Andrews

From: Amanda Andrews
Sent: Tuesday, August 25, 2015 10:44 AM.
To: Justin Tate (Justin.Tate@governor.arkansas.gov)
Subject: Proposed Amended Rule 50
Attachments: doc01861320150825102041.pdf

Justin,

Please see attached correspondence.

Amanda J. Andrews
Associate Counsel, Legal Division
Arkansas Insurance Department
1200 West 3rd Street
Little Rock, AR 72201
Office: (501) 371-2841
Facsimile: (501) 371-2639
amanda.andrews@arkansas.gov

-----Original Message-----
From: donotreply@arkins.com [mailto:donotreply@arkins.com]
Sent: Tuesday, August 25, 2015 10:21 AM
To: Amanda Andrews
Subject:

CS 8000i
[00:c0:ee:a5:df:74]

HEARING ATTENDEE LIST
IN THE MATTER OF:

PROPOSED RULE 50 "CONTINUING EDUCATION FOR PRODUCERS AND ADJUSTERS"

September 30, 2015
9:00 A.M.

Suzanne Tipton, General Counsel/Deputy Commissioner and Hearing Officer

Name	Address	Phone
Martha Hill	Mitchell Wms 425 W Capitol Ste 1800	688-8877
Tim Gauger	AR BLUE CROSS & BLUE SHIELD	(501) 378-2870
Margie Farmer	AID	AID
LaDrainie Rowland	AID	371-2831
Brandy Wedstead	AID	371-2832
T. Harry	BLR	
Peggy Dunlap	AID	371-2760
Derrick Smith	Mitchell Williams	688-8845
Amanda Gibson	AID	371-2836