Title 20—DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
Division 700—Insurance Licensing
Chapter 3—Education Requirements

PROPOSED AMENDMENT

20 CSR 700-3.200 Continuing Education. The director is amending sections (1)-(4) and (6)-(15) and deleting the forms referenced in sections (6) and (8).

PURPOSE: This amendment updates definitions, eliminates the use of specific forms, and corrects a statutory citation.

(1) Definitions. As used in this rule, unless the context clearly indicates otherwise, the following terms shall mean:

(A) Approved course—an educational presentation offered in a class, seminar, self-study, or other forms of instruction involving insurance fundamentals, insurance related law, insurance policies, claims, and coverages, or other areas that have been approved by the director as expanding skills and knowledge in the lines of insurance for which the licensee is licensed, but shall not include subject matter relating to prospecting, motivation, sales/marketing techniques, psychology, recruiting, office skills, or management training, and subjects not related to the insurance license;

(B) CEC—continuing education credit for licensed insurance producers;

(C) Classroom—*[an area designated for instructional purposes;]* **course activities or information occurring in real time at a specific time, date and place, and delivered via Internet or in person, such as but not limited to seminar/workshop, webinar, virtual class, or teleconference. Student attendance is based on personally identifiable information (e.g., username, password, email, government-issued identification, signature) and student participation or interaction with course activities. Credit for course is based on attendance and activity, not examination;**

[(D) Continuing Education Certificate of Course Completion—a form provided by the director and completed by the authorized provider representative of an approved course which signifies satisfactory completion of the course and reflects the hours of credit earned;

(E)] **(D)** Continuing Education Certification Summary—a form provided by the director and completed by the licensee which documents compliance with the continuing education requirements in section 375.020, RSMo;

[(F)] **(E)** Continuing Education Provider Application for Course Approval—a form provided by the director and completed by the course provider which requests approval of a continuing education course from the director;

[(G) Affidavit of Exam Proctor—a form completed by the proctor of an exam taken by the licensee to complete the requirements for credit for a self-study course;

(H) Exam proctor—a disinterested third party of at least eighteen (18) years of age, who has no corporate, employment or personal relationship, or other interest, in the student's performance on the examination;

(I)] **(F)** Teleconference course—*[a live interactive broadcast that is transmitted via satellite or other electronic means;]* **a type of classroom course featuring the live exchange of information among several persons who are remote from one another but linked by telecommunications and featuring audio, video, and/or data-sharing and offering opportunities for learner/instructor/facilitator interaction. A synchronous program of study having a specific start time and end time that validates student attendance through personally-identifiable information (e.g. username, password, email) and interactivity. Credit for course is based on attendance and activity, not examination;**

[(J)] **(G)** Credit hour—constitutes fifty (50) minutes of uninterrupted instruction pertaining to an approved course. Partial hours of credit are not allowed;

[(K)] **(H)** Director—the director of the Department of Insurance, Financial Institutions and Professional Registration, or his/her designee;

[(L)] **(I)** Licensee—a person who is licensed by the department as an insurance producer;

[(M)] **(J)** Local agent group—any group of producers that reside or are domiciled in the state of Missouri and who are members of a recognized producers' association or insurance trade association;

[(N)] **(K)** Other profession—a profession, other than that of insurance producer, which is required to be licensed by the state of Missouri, for which the insurance producer is currently licensed, and which requires the licensee to complete a specified number of hours of continuing education requirements in order to maintain his/her license. In order to receive credit, the hours must be insurance or insurance related material; *[and*

(O)] **(L)** Self-study course—*[any course completed by a licensee using books, audio and/or videotapes, computer programs, Internet rebroadcast of a taped teleconference, or any other medium of instruction, without the presence of an instructor or monitor.]* **course activities or information delivered outside of real time (recorded or otherwise similarly accessible) and available at any time, such as but not limited to correspondence, online training, video, audio, CD, or DVD. Student attendance is verified based on identity (e.g., username, password, email, signature) and successful completion of an examination. Self-study courses do not require interaction with instructors; and**

(M) Continuing Education Exemption Certificate—a form provided by the director and completed by persons that claim an exemption from the continuing education requirements under section 375.020.8, RSMo.

(2) *[Beginning January 1, 2009, of]* **Of** those hours of continuing education required by section 375.020.1, RSMo, insurance producers licensed in any of the lines of authority designated in sections 375.018.1(1) through (6), RSMo, must complete three (3) hours of instruction covering ethics, Missouri law, and producer duties and obligations to the department during any two (2)-year licensure period. Courses on ethics, laws, and duties must be approved as such by the director to be eligible for meeting this requirement.

(3) Courses by Approved Professional Organizations. In addition to those programs of instruction designated in section 375.020.2, RSMo as meeting the director's standards for continuing education requirements, courses taken as part of the following programs of study or courses approved by the enumerated professional organizations are deemed to meet the same:

(A) Certified Financial Planner (CFP) awarded by the Certified Financial Planner Board of Standards, Inc.;

(B) Chartered Financial Consultant (ChFC) awarded by the American College, Bryn Mawr, Pennsylvania;

(C) Personal Financial Specialist (PFS) awarded by the American Institute of Certified Public Accountants;

(D) Chartered Financial Analyst (CFA) awarded by the Institute of Chartered Financial Analysts;

(E) Chartered Investment Counselor (CIC) awarded by the Investment *[Council]* **Counsel** Association of America, Inc.;

(F) Certified Investment Management Consultant (CIMC) awarded by the Institute for Certified Investment Management Consultants;

(G) Certified Investment Management Analyst (CIMA) awarded by the Investment Management Consultants Association; and

(H) Missouri Bar Association-approved continuing legal education relating to insurance.

(4) Continuing education credit (CEC) hours may be earned through the following:

(A) Classroom instruction with a maximum credit of sixteen (16) CEC hours per course.

(B) A course leading to a professional designation when the licensee receives a passing grade. Maximum credit is sixteen (16) CEC hours per course. If the licensee does not receive a passing grade, s/he may receive credit pursuant to the requirements of subsection (4)(A).

(C) Self-Study Courses. The licensee must pass *[a proctored]* **an** exam to receive credit. The maximum allowable credit for self-study courses is sixteen (16) CEC hours per course.

1. The credit hours for a self-study course will be determined by the following method:

A. Workbooks or other printed material—Page count of fifteen (15) pages will equal one (1) credit hour;

B. Computer based courses or Internet courses will be calculated as: three (3) screens (750 words) will equal one (1) printed page and forty-five (45) screens will equal one (1) credit hour.

2. The *[proctored]* exam must have at least twenty-five (25) questions and the exam will be awarded one (1) credit hour for every twenty-five (25) questions.

3. Open book examinations will not be allowed. The licensee will not be allowed access to books, notes, or any other reference material or information that would give them the answers to the examination questions.

(5) A provider of classroom instruction, a course leading to a professional designation or a self-study course must seek approval from the director by completing the form "Continuing Education Provider Application for Course Approval," which can be accessed at the department's website at www.insurance.mo.gov. The form contains the requirements for obtaining course approval. Incomplete applications that are returned to the applicant for additional information must be resubmitted in their entirety prior to the course presentation date. Credit will not be given to licensees for attending courses prior to the course approval date.

(6) All course providers *[must furnish the form "Continuing Education Certificate of Course Completion" to any insurance producer who earns CEC hours after completing an approved course. The form contains record keeping requirements for insurance producers and providers. The form can be accessed at the department's website at www.insurance.mo.gov.]* **shall provide to any insurance producer who earns CEC hours after completing an approved course, information identifying the course approval number, provider name, course title, date completed, type of CEC hours, and number of CEC hours earned.**

(7) Insurance producers *[must]* **may** submit **at the time of their biennial license renewal** the form "Continuing Education Certification Summary" to the director to show compliance with section 375.020, RSMo. The form can be accessed at the department's website at www.insurance.mo.gov.

[(8) Producers taking self-study courses must have the exam proctor complete the form "Affidavit of Exam Proctor" to show compliance with section 375.020, RSMo, and return the form to the provider. The form can be accessed at the department's website at www.insurance.mo.gov.

(9)] **(8)** Within thirty (30) days of the date a course is completed by a licensee, providers shall notify the director of the credit hours earned by a licensee in an electronic *[form as prescribed by the director. Specifications may be obtained by contacting the Licensing Section of the department.]* **format that can be accessed at the department's website at www.insurance.mo.gov.**

[(A) For good cause shown, the director or the director's designee may by written order waive application of the provisions of this section of the rule. The extent of the waiver will be governed by the terms of the written order granting the waiver.

(10)] **(9)** A licensee may not repeat a course for credit during the same renewal period.

[(11)] **(10)** Courses that were taken prior to the date of the Missouri license will not be allowable for credit as continuing education. Also, courses taken for a specific line type prior to adding that line will not be allowed for credit.

[(12)] **(11)** *[The]* **At any time, the** department may *[audit]* **examine** the **continuing education provider's** approved courses **and records for such courses** or the insurance producer's continuing education records *[at any time]*.

[(13)] **(12)** Failure of providers to comply with the statute or regulation may result in revocation of the courses and/or corrective action against the provider.

[(14) Reporting Period.

(A) All resident insurance producers must file the Continuing Education Certification Summary listing the completed courses approved by the department.

(B) All nonresident insurance producers must file a current and original certification letter showing compliance with continuing education requirements in their resident state. If the individual is a resident of a state that participates in Producer Data Base (PDB), a letter of certification is not required. Nonresident producers who reside in a state that does not require continuing education must complete continuing education courses approved by the department, and must list completed courses on the Continuing Education Certification Summary.

(C) Resident and nonresident producers must show proof of compliance with the continuing education requirements at the time of their biennial license renewal.

(15)] **(13)** Any life insurance producer claiming an exemption from the continuing education requirements under section *[375.020.9, RSMo]* **375.020.8, RSMo** must file a "Continuing Education Exemption *[Certification]* **Certificate**" form with the director at the time of his/her biennial license renewal. The "Continuing Education Exemption *[Certification]* **Certificate**" form can be accessed at the department's website at www.insurance.mo.gov.

AUTHORITY: section 374.045, RSMo Supp. 2013 and section 375.020, RSMo Supp. 2014. This rule was previously filed as 4 CSR 190-12.130. Original rule filed Aug. 8, 1989, effective Nov. 13, 1989. Amended: Filed Sept. 19, 1990, effective March 14, 1991. Amended: Filed Aug. 15, 1991, effective Jan. 13, 1992. Amended: Filed Nov. 24, 1992, effective June 7, 1993. Amended: Filed March 15, 1993, effective Sept. 9, 1993. Amended: Filed April 19, 1993, effective Nov. 8, 1993. Amended: Filed Dec. 1, 1997, effective June 30, 1998. Amended: Filed Aug. 29, 2003, effective Feb. 29, 2004. Amended: Filed Nov. 30, 2007, effective July 30, 2008. Emergency amendment filed Jan. 8, 2009, effective Jan. 18, 2009, expired July 16, 2009. Amended: Filed Jan. 8, 2009, effective July 30, 2009. Amended: Filed February 22, 2016.*

**Original authority: 374.045, RSMo 1967, amended 1993, 1995, 2008 and 375.020, RSMo 1988, amended 1990, 1991, 1993, 2001, 2007, 2009.*

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars ($500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars ($500) in the aggregate.

NOTICE OF PUBLIC HEARING AND NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Department of Insurance, Financial Institutions and Professional Registration, Attention: Tammy S. Kearns, P.O. Box 690, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the ***Missouri Register****. A public hearing is scheduled for 10:00 AM, May 2, 2016, at the Harry S Truman State Office Building, Room 530, 301 West High Street, Jefferson City, Missouri.*

SPECIAL NEEDS: If you have any special needs addressed by the Americans with Disabilities Act, please notify us at (573) 751-2619 at least five (5) working days prior to the hearing.