

FEMA FLOOD INSURANCE TRAINING REQUIREMENTS

**COMMONWEALTH OF KENTUCKY
ENVIRONMENTAL AND PUBLIC PROTECTION CABINET
OFFICE OF INSURANCE**

The following Advisory Opinion is to advise the reader of the current position of the Kentucky Office of Insurance (the “Office”) on the specified issue. The Advisory Opinion is not legally binding on either the Office or the reader.

**Kentucky Office of Insurance
Advisory Opinion 2006-05**

**TO: INSURERS WITH A PROPERTY LINE OF AUTHORITY IN KENTUCKY
INDEPENDENT INSURANCE AGENTS OF KENTUCKY, INC.
PROFESSIONAL INSURANCE AGENTS OF KENTUCKY
RESIDENT AGENTS WITH A PROPERTY LINE OF AUTHORITY**

**FROM: R. GLENN JENNINGS, EXECUTIVE DIRECTOR
KENTUCKY OFFICE OF INSURANCE**

**RE: FEMA FLOOD INSURANCE TRAINING REQUIREMENTS
FOR INSURANCE AGENTS WITH PROPERTY LINE OF AUTHORITY
SELLING THROUGH THE NATIONAL FLOOD INSURANCE PROGRAM**

The Federal Emergency Management Agency [FEMA] is implementing the minimum flood insurance training requirements of Section 207 of the Flood Insurance Reform Act of 2004 for insurance agents. Congress requires all agents selling flood insurance policies under the National Flood Insurance Program [NFIP] to be properly trained and educated about the National Flood Insurance Program so the agents may best serve their clients.

The Act directs the Kentucky Office of Insurance to require property agents to complete a one-time course related to NFIP. Completion of the course will provide the licensee with three hours of continuing education credit. This Advisory Opinion also notifies write-your-own private insurers that they are required to track their agents’ compliance with this continuing education requirement.

The NFIP flood course is available through approved Continuing Education Providers. NFIP flood courses approved in Kentucky are identified as a separate continuing education category. The failure to comply with this continuing education requirement may jeopardize the agent’s authority to write insurance through the NFIP. Check the Provider course listing at <http://doi.ppr.ky.gov/kentucky/search/provider> for approved courses.

Frequently Asked Questions:

1. Do all property agents have to take the course? **NO, only individuals selling policies through the National Flood Insurance Program.**
2. If I am not a property agent, and I take the course, will I get continuing education credit? **YES**
3. If I take the course will it count toward my property line of authority continuing education requirement? **YES**
4. I took a flood course but not the FEMA course. Will it count toward the NFIP requirement? **NO**
5. I am a newly licensed property agent. Should I take this course now? **If you intend to sell flood insurance through the NFIP, you should take this course now and it will count toward your CE requirement.**
6. When should I complete the NFIP course? **All licensees selling policies through the NFIP should complete the NFIP course as soon as possible. The failure to comply with this continuing education requirement may jeopardize the agent's authority to write insurance through the NFIP.**

This Advisory Opinion is intended to give insurers and agents proper notice of FEMA flood insurance training requirements. Insurers are charged with notifying their appointed agents of this program. Professional associations are charged with notifying their memberships.

/s/ R. Glenn Jennings

R. Glenn Jennings, Executive Director
Kentucky Office of Insurance

Date: March 30, 2006