

## CONTINUING EDUCATION REQUIREMENTS KENTUCKY RESIDENT AGENTS WITH A MAJOR LINES LICENSE

In order to receive important information from the Department of Insurance (DOI), please verify your resident address through eServices. <http://insurance.ky.gov> Log into your account, or create a new account. This site is password protected and is accessible only to the licensee. ALSO, be sure to keep your current email address on file with DOI in order to receive future alerts concerning your insurance license.

### Who is Affected?

- All **individuals** licensed as resident agents by the Kentucky Department of Insurance with lines of authority for life, health, variable life and variable annuity, property, casualty and/or personal lines.
- Any newly licensed individual with a major lines license that has moved to, or is licensed in Kentucky from another state as a resident or home state licensee. Even if a licensing exam is not required, the agent is subject to continuing education. **All newly licensed individuals who have held a license for one full year are subject to continuing education requirements and license renewal.**
- Individuals holding a degree in insurance such as, Certified Life Underwriter degree (CLU), a Certified Property and Casualty Underwriter degree (CPCU) or a Certified Insurance Counselor designation (CIC) are subject to continuing education and license renewal.

### How Many Hours are Required?

- A **TOTAL** of **twenty-four (24) hours** of approved continuing education must be completed during each continuing education biennium. A biennium begins on the first day of the month following your birth month and ends on the last day of your birth month two (2) years later (KRS 304.9-295). Please see information above relative **newly licensed individuals**, as the first CE compliance period may be less than two (2) years.
  - Of the 24 hours, at least **six (6) hours** of credit must be directly related to any line of authority for which the agent is actively licensed.
  - Of the 24 hours, at least **three (3) hours** of credit must be specifically approved as ethics. You may view a list of all approved ethics courses on web site: <http://insurance.ky.gov>.
- All 24 hours of continuing education can either be classroom or correspondence. Any credit hours over 24 earned within a biennium can be carried over, up to 12 hours maximum. All **carryover** hours are credited as general hours only, and do not meet ethics or line of authority requirements.
  - **NOTE:** The 6-hour line of authority requirement, and the 3-hour ethics requirement, are **part of** the twenty-four (24) hour total requirement, and are **not** "in addition to."
- Credit for an approved course may be earned only once within each compliance period.
- Instructors can earn credit for a course they teach, one time only, within a compliance period.
- Courses completed in another state *may* be approved in Kentucky. The provider will be required to file the course with Kentucky using the NAIC Uniform Continuing Education Reciprocal Course approval application before credit can be granted.

### When Does Your Biennium End?

- If you are **licensed as a resident agent with a major line of authority, you must earn 24 hours of approved continuing education credit beginning the first day of the month following your birth month and ending the last day of your birth month two (2) years later, odd or even year, depending on the year you were born.** Example: If you were born in June of an odd year, your CE Biennium would begin on July 1 (odd year) and your continuing education must be completed on or before June 30 of the next odd year. Proof of compliance with continuing education will be required in order to renew your license. **Please see information above relative newly licensed individuals, as the first CE compliance period may be less than two (2) years.**

### What Courses Qualify for Credit?

- Companies that you are appointed to represent may be approved to offer continuing education. Further, there are numerous independent providers of continuing education that are approved. You must contact the continuing education course provider to determine course dates, locations, fees and availability.
- Only courses that are prior approved by the commissioner will satisfy the requirement. To view approved continuing education course providers, please visit our web site <http://insurance.ky.gov>.

### How Many Credits Can You Get From One Source?

- Credit for an approved course can only be earned once every biennium.
- Any credit hours over 24 earned within a biennium can be carried over, up to 12 hours maximum, as general credit hours.

### How Do I Show Proof of Completing an Approved Course?

- **Self-study** course attendance certification must be filed by the **provider or agent**. Providers shall submit credit online through their eServices account; if agent is unable to verify the course has been submitted to DOI, they must submit Form CE-301 Certificate of Completion within thirty (30) days after successful course completion, by mailing the original form to the Department of Insurance. Both **must** retain a copy in their file for at least 5 years.
- **Classroom** course attendance certification will be filed online by the provider using eServices to submit their Course Roster (**Form CE-300**), within 30 days of the course completion date. The Roster must:
  - Be completed by the provider, and submitted through eServices within 30 days of course completion,
  - Be signed by each agent completing the course (sign-in sheet attachments will be accepted),
  - Verify that each attendee receives proper credit by reviewing course information through eServices,
  - Retain the original Form CE-300 in their file for at least 5 years.

Additionally, for each agent attending a classroom course, the provider must complete the Continuing Education Certificate of Completion Form CE-301, and distribute to each attendee who completes the course.

- You will be given the original of Form CE-301; you must verify that Provider has submitted the CE credit to DOI,
- If you have not received proper credit, you will be required to submit the original Form CE-301 to DOI, and retain a copy for your file.
- You are required to keep CE completion records for at least 5 years.
- The provider must keep a copy of your Form CE-301 for at least 5 years.
- The Department of Insurance may request copies of Form CE-301 from either you or the provider.

**If you completed a course and credit does not appear on your CE record within forty-five (45) days of the course completion date, you should forward the original CE-301 and keep a copy for your file.**

### What Happens If You Fail To Show Proof of Meeting Continuing Education Requirements?

- YOUR LICENSE SHALL **TERMINATE** by law, and you must promptly surrender your original license to the Department of Insurance without demand (KRS 304.9-295(9) if:
  - You fail to complete your continuing education requirements on or before the last day of your birth month, odd or even year depending on birth year; or
  - Proof of completion for your required number of credit hours have NOT been filed with the Department of Insurance within 60 days following the last day of your birth month.
  - To assure you are properly credited for all of your continuing education courses, you should visit the Department's Web site to verify that the correct course information is filed.

### What Can You Do If Your License Terminates for Failure to Meet Continuing Education Requirements?

- You have thirty - (30) days from the last day of your birth month (odd or even year) to provide proof of satisfying your continuing education requirement prior to the last day of your birth month, and renew your license without penalty.
- After the thirty-(30) day grace period, you will be given another thirty (30) days in which to provide proof of satisfying your continuing education requirement prior to the last day of your birth month, and renew your license WITH A PENALTY FEE.
- After the sixty - (60) day period has lapsed but within 12 months of the inactive date, your license may be reinstated, if you:
  - Satisfy your delinquent continuing education requirements;
  - File proof of completion of the required courses; and
  - Submit a new application for a license, including background check report, appointment forms for additional insurer appointments, and applicable fees for license and additional appointments.
- NOTE: If the continuing education delinquency remains unsatisfied and your license remains inactive for 12 months or longer, you must satisfy all of the licensing requirements specified in KRS Chapter 304 including pre-licensing training and passing any relevant examination(s).

### Who is Exempt From Meeting Continuing Education Requirements?

- Adjusters
- Non-resident agents who received their license through reciprocity and who have met the continuing education requirements of their home state
- Limited lines licensees:
  - Limited Line Credit, Travel, Crop, Surety
- Agents who receive their license less than one full year before the end of their current continuing education biennium. (But, these agents are not exempt from the next biennium and thereafter.)
- Agents who have a waiver from continuing education requirements because they are keeping their license for the sole purpose of receiving renewals or deferred commissions and have filed a supporting **Affidavit For Exemption From Continuing Education (Form 304)** with the Department of Insurance. The Affidavit must be requested from the Department of Insurance, Agent Licensing Division.
  - If you are not actively soliciting or writing insurance business and only want to keep your license to receive renewals or deferred commission, you must submit a signed, notarized Affidavit attesting that all commissions you receive are for renewal only. An agent falsifying this information will be subject to administrative penalties, revocation of licenses, or both. You cannot sell, solicit, or negotiate insurance while this waiver is in effect. New appointments will not be

processed for any individual who has submitted the Affidavit. You must maintain all other requirements for the license to remain active; otherwise, the Affidavit will become inactive on the date the license becomes inactive.

**How Do You Reactivate Your License After Filing An Affidavit?**

You may withdraw the exemption from continuing education requirements and have all restrictions against selling, soliciting and negotiation insurance removed from your agent licensing by:

- Completing the continuing education requirements for the immediate preceding continuing education biennium;
- Providing a certification of completion of those continuing education requirements; and
- Providing a signed, written statement withdrawing the Affidavit.

The law does not provide for the continuing education requirement to be waived under any circumstances with the reactivation of your agent license.