

17. CONTINUING EDUCATION REQUIREMENTS

To ensure agents are kept up to date and qualified to complete their jobs, the State of California passed a law in 1992 requiring them to continue their education. To help understand the California Insurance Code continuing education requirements for each of the licenses we have provided a chart below.

<u>License Type</u>	<u>CE Requirements</u>
Life Only	24 hours per license term (license terms are 2 years)
Accident & Health	24 hours per license term (license terms are 2 years)
Life Agent Combo (Life Only and Accident & Health)	24 hours per license term (license terms are 2 years)
Personal Lines	10 hours per year
Limited Lines Automobile	20 hours per license term (license terms are 2 years)
Fire & Casualty (licensed LESS than 4 years)	25 hours per year.
Fire & Casualty (licensed MORE than 4 years)	30 hours per license term (license terms are 2 years)
<u>License Type</u>	<u>Supplemental CE Requirements</u> (part of CEs, not in addition)
Life Agent Combo, Life Only, Accident/Health, Fire & Casualty	4 hours of Ethics training each license term (terms are 2 years)
Personal Lines and Limited Line Automobile	2 hours of Ethics training each license term (terms are 2 years)
Licensee soliciting Long-Term Care (licensed LESS than 4 years)	8 hours of LTC training every year
Licensee soliciting Long-Term Care (licensed MORE than 4 years)	8 hours of LTC training each license term (terms are 2 years)
Licensee soliciting California Partnership LTC (PR) (licensed LESS than 4 years)	4 hours of LTC training every year
Licensee soliciting California Partnership LTC (PR) (licensed LESS than 4 years)	8 hours of LTC training each license term (terms are 2 years)
Licensee soliciting Annuity Products.	8 hours of Annuities to start then 4 hours every license term

As you can see, understanding continuing education (CE) begins with knowing four main items:

- 1) **the type of license;**
- 2) **the license term;**
- 3) **how long the licensee has been licensed; and**
- 4) **the additional training through the supplemental CEs that is needed.**

It is important to understand that the CE requirement goes to the individual, not to each license held. If you hold more than one license, you only need to complete one set of CE requirements, whichever license requirement is the highest.

For example, if you hold a Fire & Casualty license along with a Life Agent Combo license and you have been licensed for 1 year then you need to complete 25 hours of CE per year. You do NOT need to complete both license requirements of 49 hours by adding 24 hours for Life Agent and 25 hours for Fire & Casualty. Remember, the CE goes with the individual no matter how many licenses held.

If the CEs are required yearly then all hours must be completed during that calendar year. If the CEs are required every license term (terms are 2 years) then you may complete

your CE hours at any time during those 2 years, which means there really isn't a yearly requirement if under a license term.

Additional training or supplemental CE requirements are part of the normal CE, not in addition to. For example, if you just received a Life Only license then you are required to complete 24 CE hours every 2-year license term, but out of those 24 hours, 4 must be Ethics Training. If you plan on selling LTC and Annuities then part of those 24 hours need to be 8 hours for the Annuities and 8 hours for the LTC. So, out of the 24 required CE hours you already have 20 hours spoken for, so you would only need a 4-hour CE course to complete all 24 hours. Supplemental CE basically dictates what types of CE training you should take for your CE requirements.

Any additional hours are carried forward to the next license term. Any person meeting the following requirements will be exempt from completing CE to renew his/her Life Agent and/or Fire & Casualty license:

- 70 years of age or older; and
- 30 continuous years as a licensee in good standing in the State of California.

Any licensee that maintains eligibility for 30 continuous years without any disciplinary action is considered to be in good standing. Eligibility is maintained by renewing a license within one year. Licensees with a break in their license caused by late renewals or transferring between employers may still qualify for the exemption.

CAUTION: Any licensee that markets long-term care contracts or offers to sell annuity products is still required to meet the specific education requirements for marketing such contracts.

CE is available in a variety of settings. Courses are provided with live instructors (known as a "contact" setting), via mail order as a self-study course, and even over the Internet, also a self-study method. Agents should be certain that the courses they pay for are approved by the Department of Insurance for California continuing education. A student may gain valuable knowledge by taking any course, but only approved courses will satisfy license renewal requirements.

Renewals may be processed through the mail or online at the DOI website. Please note that a 50% penalty fee is required to late renew the license, and all endorsements, appointments and employee/employer relationships must be reestablished with the appropriate forms and fees. There is no grace period. Agents and brokers have one year from the expiration date to late renew the license, after which time they must file a new application, appointment(s), fees, prelicensing certificates, and pass the qualifying examination.