

IMPORTANT LICENSING CHANGES EFFECTIVE JULY 1, 2010

Significant changes to the laws governing insurance producers, insurance adjusters, real estate brokers, real estate salespersons, real estate appraisers, and license education providers take effect on July 1, 2010. The most important changes are described below and in the associated Frequently Asked Questions document.

Insurance Producers

- Insurance producer prelicense education will consist of 20 hours per major line of authority.
- The following will be exempt from the insurance prelicense education requirement:
 - Someone with a two-year Minnesota vocational school degree in insurance
 - Someone with a four-year college degree in business with an insurance emphasis
 - Life applicants with any of the following professional designations: CEBS, ChFC, CIC, CFP, CLU, FLMI, or LUTCF
 - Health applicants with any of the following professional designations: RHU, CEBS, REBC, or HIA
 - Property, Casualty, or Personal Lines P&C applicants with any of the following professional designations: AAI, ARM, CIC, or CPCU.
- Insurance producer will be allowed to take prelicense education courses over the Internet or via other verifiable self-study.
- An applicant for a resident insurance producer license or a new line of authority must submit fingerprints for a criminal history background check and pay an associated fee.
- Insurance producer continuing education will consist of 24 hours during each licensing period. At least 3 of those hours must be in a class or classes in the area of ethics.
- Insurance producers may take all continuing education hours over the Internet or via other verifiable self-study. (But only half of the required continuing education hours may be obtained through company-sponsored courses.)
- The “inactive waiver” has been eliminated. Insurance producers who are no longer actively engaged in the solicitation and sale of insurance will no longer be able to apply for a waiver of continuing education requirements.
- The license renewal date will change from October 31 to the last day of the producer’s birth month. This change will be phased in according to the accompanying “Birth Month Renewals” chart.
- Continuing education courses provided by a bona fide trade association will no longer count as “company-sponsored” unless they are held on the premises of a company doing business in the insurance area or otherwise defined by statute as “company-sponsored.”

Birth Month Renewals Initial license issued in...	will renew in...
July 2010	October 2011
August 2010, birthday 1/1 to 7/31	Birth month 2012
August 2010, birthday 8/1 to 12/31	Birth month 2011
September 2010, birthday 1/1 to 8/31	Birth month 2012
September 2010, birthday 9/1 to 12/31	Birth month 2011
October 2010, birthday 1/1 to 9/30	Birth month 2012
October 2010, birthday 10/1 to 12/31	Birth month 2011
November 2010, birthday 1/1 to 10/31	Birth month 2012
November 2010, birthday 11/1 to 12/31	Birth month 2011
December 2010, birthday 1/1 to 11/30	Birth month 2012
December 2010, birthday 12/1-31	Birth month 2011
January 2011	Birth month 2012
February 2011, birthday 1/1-31	Birth month 2013
February 2011, birthday 2/1 to 12/31	Birth month 2012
March 2011, birthday 1/1 to 2/29	Birth month 2013
March 2011, birthday 3/1 to 12/31	Birth month 2012
April 2011, birthday 1/1 to 3/31	Birth month 2013
April 2011, birthday 4/1 to 12/31	Birth month 2012
May 2011, birthday 1/1 to 4/30	Birth month 2013
May 2011, birthday 5/1 to 12/31	Birth month 2012
June 2011, birthday 1/1 to 5/31	Birth month 2013
June 2011, birthday 6/1 to 12/31	Birth month 2012
July 2011, birthday 1/1 to 6/30	Birth month 2013
July 2011, birthday 7/1 to 12/31	Birth month 2012

All of the above will owe full CE (24 hours, with 3 in ethics) and full fees.

For licenses initially issued before 8/1/2010 and **renewed in October 2010**:

Birthday in...	Will renew again in...
January	January 2012
February	February 2012
March	March 2012
April	April 2012
May	May 2012
June	June 2012
July	July 2012
August	August 2012
September	September 2012
October	October 2012
November	November 2011
December	December 2011

For licenses initially issued before 8/1/2010 and **renewed in October 2011**:

Birthday in...	Will renew again in...
January	January 2013
February	February 2013
March	March 2013
April	April 2013
May	May 2013
June	June 2013
July	July 2013
August	August 2013
September	September 2013
October	October 2013
November	November 2012
December	December

FREQUENTLY ASKED QUESTIONS

- 1. When can I start taking prelicense courses over the Internet?**
July 1, 2010.
- 2. I qualify for an exemption from the insurance prelicense education requirement. How will this be verified?**
You will need to bring proof that you qualify for the exemption to the test center on the day that you take the prelicense examination. Your exemption will need to be verified before you are allowed to sit for the exam.
- 3. I took the previously-required prelicensing education (30 hours of insurance basics plus 7.5 hours per line of authority). Will any of this count toward the new requirements?**
Yes, but only toward those lines of authority for which you completed the 7.5 hours of qualifying education (as well as the 30 hour basics course). The 30 hour basics course on its own will not count toward any of the new requirements.
- 4. What should I do to meet the requirement to submit fingerprints?**
Your fingerprints will be taken at the test center before you sit for the exam.
- 5. I already hold a valid Minnesota insurance producer license. Do I need to submit my fingerprints?**
Not unless you decide to add a line of authority.
- 6. Is my license now due for renewal in my birth month in 2010?**
The transition from biannual October 31 license renewals to biannual birth month renewals will be phased in over time, with the first birth month renewals taking place for affected producers in August 2011. Please note, however, that not everyone with a birthday in August will need to renew his or her license in 2011; it depends on when the license was originally issued and most recently renewed. Please see the “Birth Month Renewals” charts to determine when your license will be due for renewal in the future.
- 7. Will adding a line of authority to an active license change my license renewal date?**
No.
- 8. With the transition to birth month renewals, will the amount of continuing education that I have due at license renewal be prorated depending on how long I have held the license?**
No. After July 1, 2010, everyone will need to have completed 24 hours of continuing education, with at least 3 of those hours in ethics, to renew a producer license.
- 9. With the transition to birth month renewals, will the license fee be prorated depending on how long I have held the license?**
No. As is the case currently, the full fee will be required in order to renew a producer license, regardless of how long that license has been held.

10. My license is due to be renewed in October. How much continuing education will I have due?

If your license is due to renew in October 2010 or October 2011, you will have 24 hours of continuing education due, with at least 3 of those hours in ethics.

11. My license is due to be renewed in October, and I've already completed 30 hours of continuing education. Have I fulfilled my continuing education requirements?

No. You have completed the new general requirement to have 24 hours of continuing education, but you still need to have at least 3 hours of ethics in order to fulfill the new continuing education requirement.

12. When can I start taking all of my continuing education courses over the Internet?

July 1, 2010. Please note, however, that only half of your required continuing education hours may be obtained through company-sponsored courses.

13. I took a continuing education course before July 1, 2010, that was provided by a certain trade association and classified as "company-sponsored." Owing to a change in the law, courses provided by this same trade association on or after July 1, 2010, will no longer be classified as "company-sponsored." Does this also mean that the course I took no longer counts as "company-sponsored"?

Because you took your course before the applicable law changed, it still counts as "company-sponsored." The change to the law regarding continuing education courses provided by a bona fide trade association does not have retroactive effect, so it only applies to courses provided on or after July 1, 2010.

14. Sometime on or after July 1, 2010, I will no longer be actively engaged in the solicitation and sale of insurance, but I would like to keep my license so that I can continue to service insurance policies. Can I apply for a waiver of my continuing education requirements?

No. Under the new law, the "inactive waiver" is no longer available.

15. I am no longer actively engaged in the solicitation and sale of insurance. If I don't renew my license, does that mean that I can no longer receive commissions?

You can continue to receive renewal or other deferred commissions for selling, soliciting, or negotiating insurance in Minnesota if you were actively licensed at the time of the sale, solicitation, or negotiation.