

**Government of Puerto Rico**

**OFFICE OF THE INSURANCE COMMISSIONER OF PUERTO RICO  
Guaynabo, P.R.**

**AMENDMENT TO RULE NO. 52 REGULATION NO. 7833**

**CONTINUING EDUCATION REQUIREMENTS**

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**SECTION 1. AUTHORITY**

The Commissioner of Insurance of Puerto Rico hereby adopts this amendment to Rule 52, Regulation 7833, of the Regulations of the Insurance Code of Puerto Rico, hereinafter the "Rule," under the authority of Section 2.030 of Public Law No. 77, enacted on June 19, 1957, as amended, known as the Insurance Code of Puerto Rico, as well as the provisions of Public Law No. 170, enacted on August 12, 1988, as amended, known as the Uniform Administrative Procedures Act.

**SECTION 2. PURPOSE**

The Commissioner, by virtue of the inherent power to regulate the local insurance business, promulgated the Continuing Education Regulation for the purpose of establishing a continuing education program that will contribute to the academic improvement of all persons who are authorized, or may be authorized in the future, by the Commissioner, as producers, solicitors, consultants, insurance adjusters, viatical agreements brokers, viatical agreements agents, intermediary reinsurance producers, intermediary reinsurance managers, non-resident producers, non-resident adjusters, non-resident viatical agreements brokers, non-resident viatical agreements agents, non-resident viatical agreements agents, non-resident intermediary reinsurance producers, or non-resident intermediary reinsurance managers. Fulfillment of this mission requires an effective Regulation that will allow insurance professionals to stay current in terms of knowledge and the skills that are necessary for the highest levels of quality and competence in professional practice.

The mechanisms established in this Rule allow the Commissioner to fulfill the mission and duties of the office. Furthermore, the provisions of the Rule are also directed at promoting the fulfillment of the ethical duty that every insurance professional has to maintain a high level of excellence and competence in the services he or she provides.

**SECTION 3. DEFINITIONS**

The following terms shall have the meanings set forth as follows, except when another meaning may be derived from the language of any other provision of this Rule:

- a. "Applicant" - means an applicant for a license of any kind who has not had an insurance license during the five (5) years prior to the application for the respective license.

- b. "Code" - means the Insurance Code of Puerto Rico.
- c. "Commissioner" - means the Insurance Commissioner of Puerto Rico.
- d. "Compliance Period" - means a period of two (2) years, from the date of issue of the license, or renewal date, in which the licensee must comply with the Continuing Education Requirements set by this Rule.
- e. "Continuing Education Course" - means those educational activities that are referred to in Section 8 of this Rule and those in which a licensee participates in order to obtain or update knowledge and to develop skills in the professional field of insurance.
- f. "Renewal Date" - means the renewal date of the license.
- g. "Educational Institution" - means any legally constituted institution and accredited by the Council on Higher Education. The resource used by the Educational Institution must comply with the qualifications of a lecturer.
- h. "Expiration Date" - means the deadline on which licensees must comply with the Continuing Education Requirements established by this Rule, as a condition for maintaining a license. In no case, will the first expiration date be less than two (2) years from the date on which the license was obtained. Beginning on the effective date of this Rule, all licenses that are issued or renewed will show the expiration date.
- i. "Hours" - means the number of hours of interaction between the person offering the Continuing Education Course and the participants of that course. It also means the equivalence given by the Commissioner to activities that do not require interaction, pursuant to the Section 8 of the Rule.
- j. "Lecturer" - means any natural person who offers a Continuing Education Course and who has the qualifications that the Commissioner deems necessary, such as the professional designations recognized by the insurance industry in the United States and Puerto Rico (e.g., CLU, HIA, LUTCF, CPCU, and CIC); have five (5) years of experience as a producer; possess a license as an insurance consultant; have a Bachelor's degree with a major in the insurance field and two (2) years of experience as a producer; have a Bachelor's degree with a major in the insurance field and two (2) years of experience as an insurance course professor, in any educational institution; have a Master's degree in the insurance field and at least one (1) year as an insurance course professor at any educational institution; or possess a Juris Doctor degree. Also, the Lecturer may have not been convicted of any felony and if he/she was a licensee, he/she could have not been declared as an incompetent or unreliable person by the Commissioner.
- k. "Licensee" - means a producer, solicitor, consultant, insurance adjuster, viatical agreements broker, viatical agreements agent, intermediary reinsurance producer, or intermediary reinsurance manager who holds a license issued under Sections 9.170, 9.220, 9.241, 9.290, and 43.020 of the Code, and Rule 97 of the Regulations of the Code, as well as designees, under Section 9.160 of the Code to act as representatives of corporations or companies that hold a license issued under Sections 9.170, 9.241, and 9.290 of said Code. It also means non-resident producers, adjusters, viatical agreements brokers, viatical agreements agents, intermediary reinsurance producers, or intermediary reinsurance managers authorized under Section 9.260 and 43.020 of the Code, and Rule 97 of the Regulations of the Code.
- l. "Professional Development Entity" - means the entity that is not an Educational

Institution and that offers Continuing Education Courses and professional development. The resource used by the Professional Development Entity must comply with the qualifications of a lecturer.

- m. "Reasonable Accommodation" - means the logical and reasonable adjustment of the conditions established for offering a Continuing Education Course that reduces the effect that a disability condition may have for the participant, without altering the nature of the course in any fundamental manner or causing undue hardship to the Lecturer, Education Institution or Professional Development Entity.

#### **SECTION 4. APPLICABILITY**

- A. The provisions of this Rule are applicable to any natural person authorized by the Commissioner, or may be authorized in the future, as a producer, solicitor, consultant, insurance adjuster, viatical agreements broker, viatical agreements agent, intermediary reinsurance producer, intermediary reinsurance manager, non-resident producer, non-resident adjuster, non-resident viatical agreements broker, non-resident viatical agreements agent, non-resident viatical agreements agent, non-resident intermediary reinsurance producer, or non-resident intermediary reinsurance manager.
- B. Licensees who are sixty (60) years of age or older and who have been Licensees for a period of no less than twenty-five (25) years are excluded from the provisions of this Rule.
- C. Managers, as defined in Section 9.052 of the Code, may follow the provisions of this Rule. Also, it is recommended for them to take at least three (3) hours of professional ethics, as required for producers, solicitors, consultants, adjusters, viatical agreements brokers, viatical agreements agents, intermediary reinsurance producers, intermediary reinsurance managers, non-resident producers, non-resident adjusters, non-resident viatical agreements brokers, non-resident viatical agreements agents, non-resident viatical agreements agents, non-resident intermediary reinsurance producers, or non-resident intermediary reinsurance managers in Section 6 of this Rule.

#### **SECTION 5. FORMAL EDUCATION**

- A. As a requirement for issuing a license, all applicants must provide evidence of their formal education. The evidence will be evaluated and accredited to comply with the Continuing Education requirement.
- B. Once the license has been obtained, it is considered that the Licensee will be in compliance with this Rule for a period of two (2) years immediately following the issue of said license.

#### **SECTION 6. REQUIREMENTS FOR PARTICIPATION IN CONTINUING EDUCATION COURSES**

- A. During the Compliance Period, all licensees shall take and pass a total of no less than twenty-four (24) hours of Continuing Education Courses within each renewal period, of which at least three (3) hours will be devoted to the topic of professional ethics, as described in Section 8 of this Rule.

Of the total twenty-four (24) hours that are required, viatical agreements brokers and the viatical agreements agents will take in addition at least seven (7) hours in matters related to viatical agreements.

Of the total twenty-four (24) hours that are required, intermediary reinsurance producers and intermediary reinsurance managers will take in addition at least seven (7) hours in matters related to reinsurance.

All Licensees shall provide evidence of compliance with this provision, in the form and manner provided by the Commissioner, no later than the Renewal Date of the license.

- B. Licenses issued or renewed for a Licensee after the approval of this Rule shall show the Renewal Date as well as the Effective Date and the Expiration Date. The Renewal Date for all licensees will be the last day of the birth month of the Licensee and the Licensee will renew the license every two (2) years.
- C. The license of any Licensee who fails to comply with the provisions of subsection A of this Section will be automatically suspended and may only be reinstated after the Licensee has complied with the requirements set forth in this Rule.
- D. If the Licensee has failed to comply with the Continuing Education Requirement within one (1) year from the Expiration Date, the licensee shall comply with the requirements set forth in the license application.

## **SECTION 7. APPROVAL OF COURSES**

- A. For the purpose of accreditation, all Continuing Education Courses shall comply with the following requirements:
  - 1. The Lecturer, Educational Institution or Professional Development Entity shall have previously submitted to the Commissioner a request for approval of the course.
  - 2. The application shall include the title, place, date, duration, a general description and outline of the course, as well as the names and qualifications of the lecturers. Also, the general test that will be offered must be submitted, as well as the evaluation sheet of the Continuing Education Course that will be given to the licensees at the end of the course.
  - 3. In addition to the time devoted to ethics, the names of the resources and their qualifications shall be provided.
- B. The request for approval of the Continuing Education Course must be submitted before the Commissioner at least thirty (30) days before the date in which the Lecturer, Educational Institution or Professional Development Entity plan to offer said course.
- C. Once the Continuing Education Course is approved, if the Lecturer, Educational Institution or Professional Development Entity plan to make a substantial change to said course, as to varying the content or the Lecturer, they must submit a new approval form.

## SECTION 8. ACCEPTABLE COURSES

A. Continuing Education Courses that are acceptable for compliance with the requirements of this Rule are as follows:

(1) In order to pass the course, participants must pass at least one (1) general examination, which is duly supervised by the Lecturers, Educational Institution or Professional Development Entity that offers the Continuing Education Course.

(2) Those of the various Educational Institutions that provide courses leading to professional titles and can vouch for the professional excellence in the insurance field of the person holding the title, regardless of whether the Licensee has passed them before the effective date of this Rule. Such designations must be provided by Educational Institutions that are approved by the Commissioner, including the following:

- a. American Educational Institute
- b. American Institute for Chartered Property and Casualty Underwriters
- c. Casualty Actuarial Society
- d. Health Insurance Association of America
- e. Insurance Institute of America
- f. International Foundation of Employee Benefit Plans
- g. Life Office Management Association
- h. Life Underwriter Training Council
- i. Professional Liability Underwriting Association
- j. The American College
- k. The National Alliance for Insurance Education & Research

In order to credit the activities directed at maintaining these professional designations, the licensee must submit to the Commissioner an original certification of the Educational Institution that offers said designation showing that the participant completed the course and the hours to be credited.

Any licensee who confirms that he/she has passed one (1) or more courses to the Commissioner, will have the hours credited, as mentioned in subsection (E) of this Section, even if such courses were passed before the effective date of this Rule.

B. Courses offered by Educational Institutions in which academic credit is earned leading to academic degrees such as an associate, bachelors, master's or doctoral degrees, provided that such degrees have been earned and that the courses in such degree programs strengthen and/or develop skills in the insurance field. In such cases, the Commissioner will credit ten (10) hours for each course

that has been passed up to a maximum of ninety (90) hours for each degree obtained, regardless of whether said courses were passed before the effective date of this Rule.

- C. In the case of courses offered by Lecturers, Educational Institutions or Professional Development Entity for which academic credit is not earned, the Commissioner may credit a certain number of Continuing Education hours with a view to achieving the broadest possible diversity and address the needs of all Licensees.
- D. The Commissioner may approve Continuing Education courses offered through non-traditional teaching means such as distance learning, correspondence courses, computers, videos, tapes, or other media subject to the limitations and requirements established in this Rule or through computer networks, that are offered by Lecturers, Educational Institutions or Professional Development Entities that are recognized by the insurance industry in the United States and/or Puerto Rico. The Commissioner's approval of such courses shall include the number of credit hours.
- E. The Commissioner will publish the Continuing Education Courses that have been approved and the hours that to be credited for each course, except for the Continuing Education Courses for which the hours to be credited have been established in this Rule.
- F. The Lecturer, Educational Institution or Professional Development Entity will use the following email address [educa@ocs.gobierno.pr](mailto:educa@ocs.gobierno.pr) to provide the Commissioner, in the first twenty (20) days after the general examination is given, a list of the licensees who approved the Continuing Education Course.
- G. All Lecturers, Educational Institutions or Professional Development Entities shall keep records of the Continuing Education Courses that were offered for a period of five (5) years, available to the Commissioner for inspection when so requested.

## **SECTION 9. CONTINUING EDUCATIONAL REQUIREMENTS FOR NON- RESIDENT LICENSEES**

- A. All non-resident licensees, in whose state of residence there are Continuing Education requirements, shall provide, on applying for a renewal of their license, evidence of having complied with the Continuing Education requirements of their state of residence. For this purpose, they shall submit a certification from the highest insurance official of the state of residence, indicating that they have complied with said requirements.
- B. All licensees, in whose state of residence there is no Continuing Education requirement, shall comply with the Continuing Education requirements that are applicable in Puerto Rico.

## **SECTION 10. REASONABLE ACCOMMODATION**

In order to comply with the Continuing Education requirement any licensee who needs reasonable accommodation must request such from Lecturers, Educational Institutions or Professional Development Entities who must provide such reasonable accommodation.

## **SECTION 11. ACCUMULATED EXCESS HOURS**

If a Licensee on one or more occasion accumulates hours in excess of the total required for accreditation under the Continuing Education requirement, such excess may be accredited to subsequent renewals, according to the requirements for general hours, professional ethics, viatical agreements, and reinsurance.

## **SECTION 12. AUTHORITY OF THE COMMISSIONER TO INSPECT CONTINUING EDUCATION COURSES**

- A. The Commissioner shall have the authority to investigate, observe or verify the development of any Continuing Education Course for which hours have been accredited under this Rule, and may examine records and other documents related to said courses, for the purpose of verifying continuous compliance of the courses with the requirement of quality and applicability to the insurance field.
- B. The Commissioner may withdraw approval of any Continuing Education Course, if it is found that the course does not meet minimum quality criteria and/or the Lecturer, Educational Institution or Professional Development Entity that offered it has repeatedly been found to have engaged in irregularities in providing such course. The affected party may request an administrative hearing.

## **SECTION 13. SEVERABILITY**

- A. Should any word, sentence, paragraph, subsection, section or part of this Rule be declared null or invalid by a court of competent jurisdiction, the order entered by that court shall have no effect and will not invalidate the remaining provisions of this Rule, but rather the effect of the order shall be limited to the word, sentence, paragraph, subsection, section or part which has been so declared.

## **SECTION 14. EFFECT**

The provisions of this Rule will enter into effect thirty (30) days after filing at the Puerto Rico Department of State, pursuant to the provisions of Public Law No. 170, *supra*.

Ramón L. Cruz-Colón  
Commissioner of Insurance

Date of Approval: April 13, 2012  
Date of Filing with the State Department  
Date of Filing with the Legislative Library