

12 GAR INSURANCE
CH. 2 INSURANCE CONTINUING EDUCATION

CHAPTER 2
INSURANCE CONTINUING EDUCATION

SOURCE: Entire Chapter added by P.L. 36-092:2 (Apr. 11, 2022), effective August 1, 2022 pursuant to P.L. 36-092:3.

- § 2101. Authority; Legislative Findings and Intent.
- § 2102. Purpose.
- § 2103. Definitions.
- § 2104. Applicability.
- § 2105. Educational Requirements.
- § 2106. Qualifying Continuing Education Courses; Approval; Records.
- § 2107. Repeated Courses.
- § 2108. Extension of Time.
- § 2109. Compliance.
- § 2110. Penalty, Legal Authority, §§ 15703 and 15705 of the Insurance Laws.
- § 2111. Continuing Education Exemption.
- § 2112. Pre-Licensing Course and Written Examination.

§ 2101. Authority; Legislative Findings and Intent.

I Liheslaturan Guåhan intends to establish government policy that would improve the delivery of insurance protection and services to consumers on Guam. One approach toward this objective deals with encouraging and promoting the highest level of qualification and competency in the ranks of agents, brokers, insurance producers, and the like, who are licensed to transact or sell insurance on Guam. As such, I Liheslatura finds it necessary and in the best interest of insurance consumers to examine the standard industry knowledge and educational qualification of each insurance agent, broker, insurance producer, or similar licensee in order to sell or transact insurance on Guam, as a prerequisite to the renewal of the license or licenses held by such individual(s). I Liheslatura thus elects to authorize the Insurance Commissioner of Guam to promulgate the rules and regulations contained herein as a means of establishing minimum education criterion for each licensee in order to transact or sell insurance on Guam. Such regulations are promulgated pursuant to the authority granted to the Insurance Commissioner of Guam in §§ 12212 and 15703 of Title 22, Guam Code Annotated.

§ 2102. Purpose.

The purpose of these regulations is to establish requirements and standards for the continuing education program for persons licensed to transact or sell insurance.

§ 2103. Definitions.

The following terms in this Chapter are defined as follows:

- (a) “Agent” means general agent and insurance producer, unless otherwise apparent from the context.
- (b) “Broker” means a person who, for compensation and on behalf of another person, transacts insurance business other than as insurer, general agent, sub-agent, solicitor or insurance producer.
- (c) “Commissioner” means the Banking and Insurance Commissioner.
- (d) “Department” means the Guam Department of Revenue and Taxation.

12 GAR INSURANCE
CH. 2 INSURANCE CONTINUING EDUCATION

(e) “Insurance Producer” means a person required to be licensed under the laws of Guam to sell, solicit or negotiate insurance.

(f) “Person” means an individual, limited liability partnership, partnership, limited liability company, corporation, incorporated or unincorporated association, joint stock company, reciprocal, syndicate, or any similar entity or combination of entities acting in concert.

(g) “Transact” means, when applied to insurance, solicitation, negotiations preliminary to execution, execution or transaction subsequent to execution, or a contract of insurance or matters appertaining thereto.

§ 2104. Applicability.

These regulations shall apply to resident persons licensed pursuant to Article 7 of Chapter 15, Title 22, Guam Code Annotated, to engage in the sale of the following classes of insurance:

- (a) life insurance, annuity contracts, variable annuity contracts, and variable life insurance;
- (b) sickness, accident and health insurance;
- (c) all lines of property and casualty insurance; and
- (d) all lines of insurance for which an examination is required.

§ 2105. Educational Requirements.

(a) Resident persons licensed to sell or transact insurance shall mean any person licensed for:

- (1) life insurance, annuity contracts, variable annuity contracts, and variable life insurance;
- (2) sickness, accident and health insurance;
- (3) all lines of property and casualty insurance; and
- (4) any combination thereof.

(b) Resident persons licensed to sell or transact insurance shall annually complete fourteen (14) credit hours of continuing education prior to renewal of the license, which includes the following:

- (1) two (2) credit hours in ethics courses;
- (2) minimum of six (6) credit hours per class of insurance (i.e., life, health, or property and casualty); and
- (3) six (6) credit hours of either insurance specific courses or general insurance courses.

(c) Individuals with multiple licenses are required to annually complete a minimum of fourteen (14) credit hours of continuing education prior to renewal of the license as follows:

- (1) two (2) credit hours of ethics courses;
- (2) minimum of six (6) credit hours for each class of insurance (i.e., an individual holding both life and property and casualty must have six (6) credit hours for life and six (6) credit hours for property and casualty to renew both insurance licenses).

(d) Individuals licensed for more than two (2) classes of insurance may result in the completion of more than the annual minimum fourteen (14) credit hours of required continuing education hours.

(e) Resident persons licensed to adjust losses on any or all of the following classes of insurance, such as fidelity and surety, fire, marine, motor vehicle, property damage and liability, workmen’s compensation,

12 GAR INSURANCE
CH. 2 INSURANCE CONTINUING EDUCATION

and miscellaneous lines claims, shall complete a total of fourteen (14) credit hours every two (2) years prior to renewal of the license as follows:

- (1) two (2) credit hours in ethics courses;
- (2) minimum of six (6) credit hours per class of insurance (i.e., life, health, or property and casualty); and
- (3) six (6) credit hours of either insurance specific courses or general insurance courses.

(f) Persons with continuing education hours earned within two (2) years prior to renewal of the license have valid continuing education (CE). Any remainder of continuing education hours completed exceeding the required numbers of hours for license renewals may be carried forward and applied to earned credit hours for future license renewals for a maximum of four (4) years.

§ 2106. Qualifying Continuing Education Courses; Approval; Records.

(a) Any course, program of instruction, or seminar developed and/or sponsored by any admitted and licensed insurer, insurance trade or agents' associations or any independent program of instruction, shall require prior approval by the Commissioner in order to qualify for continuing education credit, and the equivalency of the number of classroom hours shall be assigned thereto by the Commissioner.

(b) Correspondence courses shall qualify for the equivalency of the number of classroom hours assigned thereto by the Commissioner or recognized education association, under this regulation. The Commissioner shall accept both classroom study, verifiable self-study, or a combination of both. On-line learning may be a combination of verifiable self-study and classroom study. Classroom study may include distance learning, webinars, virtual classes and traditional classroom. The Commissioner has the discretion to limit, but may not prohibit, verifiable self-study.

(c) A person with an insurance related designation teaching a course of instruction, and lecturing at any seminar or program, shall qualify for the same number of classroom hours as would be granted to a person taking and successfully completing such course, seminar or program.

(d) A licensee that takes approved courses, seminars, lectures and webinars shall provide proof of attendance and successful completion of such course, seminar, lecture, or webinar. Upon completion of an approved continuing education course, the approved course provider shall issue a signed certificate of completion that certifies that the insurance producer has successfully completed the course. The approved course provider shall electronically submit to the Commissioner a list of all insurance producers who have successfully completed the course. The providers shall maintain course records for at least three (3) years. The Commissioner may order an examination of a provider's records for good cause shown.

§ 2107. Repeated Courses.

A continuing education course may be repeated for credit in successive renewal terms, but they are not permitted to take a course for credit more than once in the same license continuation period.

§ 2108. Extension of Time.

For good cause shown, the Commissioner may grant an extension of time during which the requirements imposed by these regulations may be compiled for each type of license identified in § 2105 of this Chapter. The extension will not alter the requirements or due date of the succeeding educational requirement period. "Good cause" includes disability, natural disasters, or other extenuating circumstances. Each request for an extension of time shall be in writing from the licensee and shall include details and any documentation to support the request. The Commissioner must receive each request no less than thirty (30) days before the expiration of the licensing period.

12 GAR INSURANCE
CH. 2 INSURANCE CONTINUING EDUCATION

§ 2109. Compliance.

Any person licensed to sell insurance prior to the effective date of these regulations shall comply with all the terms and requirements of § 2105 of this Chapter in order to be licensed.

§ 2110. Penalty, Legal Authority, §§ 15703 and 15705 of the Insurance Laws.

Any person failing to meet the requirements imposed by these regulations and who has not been granted an extension of time within which to comply pursuant to § 2108, or who has submitted to the Commissioner a false or fraudulent certificate of compliance therewith, shall be subject to a suspension of or revocation of all licenses issued for any class or classes of insurance until such time that that person has demonstrated, to the satisfaction of the Commissioner, that the person has complied with all the requirements of the insurance laws of Guam and these regulations, and all other laws applicable thereto. All other remedies available to the Commissioner for false or fraudulent certificates or any misrepresentations in accordance with the insurance law available to the government of Guam in any law, shall be at the discretion of the Commissioner.

§ 2111. Continuing Education Exemption.

Any agent, broker, or insurance producer who is fifty-five (55) years of age and older, and who has been continuously licensed for twenty-five (25) years and is in good standing, is exempted from taking the continuing education courses. An affidavit that supports the claim must be presented to the Commissioner for the exemption to be valid.

§ 2112. Pre-Licensing Course and Written Examination.

All applicants must complete thirty (30) credit hours of pre-licensing insurance courses on either life, accident and health, property and casualty, claims adjuster, and other classes of insurance authorized by Title 22 GCA, Chapter 18, Article 1. The pre-licensing course must be administered by a qualified instructor, and the applicant must pass the written insurance examination.
