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Peter J. Salvatore, Regulatory Coordinator  
Pennsylvania Insurance Department  
Bureau of Administration  
1326 Strawberry Square  
Harrisburg, PA 17120

INDEPENDENT REGULATORY  
PENNSYLVANIA

**RE: Education & Training for Applicants & Insurance Producers -  
Proposed Regulation**

Dear Peter:

IA&B would first like to express its gratitude in that a number of our earlier suggestions were made part of the proposed regulation. We appreciate the opportunity to submit further comments to the Department as part of this ongoing process.

**§39a.3. Applicability**

The use of the word "chapter" seems too inclusive. It could mean that applicants and insurance producers exempt from PLE and examination because of a designation are also exempt from the training requirements defined later in the same chapter at §39a.9. IA&B would offer to rewrite as follows:

"Subject to the exemptions provided under sections 604-A and 608-A of the Act..., this chapter applies..."

**§39.a.8.(d)(3) Instructors**

IA&B would like to note that requiring the instructor (defined as "an individual") to provide accurate records of successful completion to the course sponsor is burdensome on that individual. In reality, it is the course provider that handles these records. IA&B would like to verify that this provision recognizes that reality, and that the provider can act for the instructor in this case.

**§39a.9. Training requirements for insurance producers**

IA&B feels that two items should be clarified for non-resident situations under (a) *"the satisfaction of these training requirements by a non-resident insurance producer in his or her home state shall be deemed to satisfy the training requirements in this Commonwealth."*

We would suggest replacing this sentence with the following: *"The satisfaction of the training requirements described in this regulation in any state shall be deemed to satisfy the training requirements in Pennsylvania."* This will account for minor variations in the state programs, and mostly will allow non-resident producers

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whose home state has not imposed a training requirement to take a course in another state.

Under (b), in reading the subsections as they apply, the timeline for compliance seems identical for new producers and for producers who already sell LTC, yet they are addressed in two separate paragraphs. Is this intentional?

If a differentiation between new and current producers is intended, as it initially was, we would suggest:

- replacing paragraph (2) with the following:

*"(2) Notwithstanding paragraph (1) of this subsection, an individual who was already licensed as an insurance producer and selling, soliciting or negotiating long-term care insurance on the effective date of this rulemaking will be considered compliant if he or she completes the training course required by paragraph (4) of this subsection within the first full licensing cycle after the effective date of this regulation."*

- Modifying paragraph (4) to remove references to the full licensing cycle.

In the current context of conversion to birth month license renewals, how are we to interpret the reference to a full licensing cycle? Will it be any license renewal that is a full two years? Or will it be something else? It stands to reason that the choice of words could trigger numerous inquiries. Would it not be preferable to select a *set date* such as 12 months from the effective date of this regulation?

(c) The word "verification" was changed to "proof." IA&B would like to verify that a compliance certificate, in paper or electronic form would be sufficient proof that the training was completed.

(d) With regard to flood insurance, IA&B questions how compliance can or will be tracked by the Department? Additionally, what are the penalties for non-compliance? These are the questions that will be raised by IA&B member agencies, and we would like to be in a position to answer those questions.

Again, IA&B appreciates the opportunity to comment on this proposed regulation, and welcomes any further questions or clarifications the Department may have on this matter.

Sincerely,



Jason F. Ernest, Esq.  
Vice President - Advocacy

cc: Rick Russell, President & CEO