



BULLETIN B 06-07

TO: ALL PROPERTY PRODUCERS AND INSURANCE COMPANIES AND OTHER INTERESTED PARTIES

RE: EDUCATION REQUIREMENTS FOR PRODUCERS SELLING FLOOD INSURANCE POLICIES UNDER THE NATIONAL FLOOD INSURANCE PROGRAM

Section 207 of the Flood Insurance Reform Act of 2004, Public Law 108-264 (Act) requires all producers selling flood insurance policies under the National Flood Insurance Program (NFIP) to be trained and educated about the NFIP so that they may properly serve their clients.

The Act requires the Director of the Federal Emergency Management Agency (FEMA), in cooperation with the insurance industry, state insurance regulators, and other interested parties, to establish minimum flood insurance training requirements for producers who sell flood insurance policies.

To help producers comply with the flood insurance training requirements, FEMA has developed the NFIP Training Station, which is continuously available at <http://training.nfipstat.com>. Upon successful completion of the basic agent training module and the mastery test at the end of the gold level agent training module, the producer will receive a certificate of completion. Completion of these modules will provide the producer with three hours of continuing education credit in Alaska.

Any producer selling flood insurance policies under the NFIP is required to take a course that satisfies the federal education requirement. Failure to comply with this requirement may jeopardize the producer's authority to write insurance through the NFIP.

Frequently Asked Questions

1. Are all property producer licensees required to take the course? **NO, only those selling flood insurance policies through the NFIP.**
2. If I take the course, will it count toward my Alaska continuing education requirements? **YES, as stated above.**
3. I took a flood course but not the FEMA course. Will it count toward the NFIP requirement? **It may, if the education course complies with the minimum training requirements of the Act and basic flood education as outlined at 70 Fed. Reg., 52117 (Sept. 1, 2005), or such later requirements as are published by FEMA.**

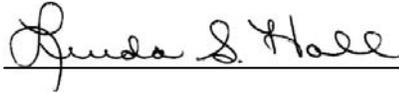
4. I am a newly licensed property producer. Should I take the course now? **If you intend to sell flood insurance through the NFIP, you should take the course now. It will count towards your continuing education requirement for license renewal.**
5. When should I complete the NFIP course? **Any producer selling policies through the NFIP should complete the NFIP course as soon as possible. Failure to comply with this course requirement may jeopardize the producer's authority to write flood insurance through the NFIP.**

Also, the division recommends that, when an insurance producer is either selling or renewing a home insurance policy, it would be prudent to advise the applicant of the availability of flood insurance through the NFIP.

If, after being advised of the availability of flood insurance, the applicant declines the coverage, it is advisable for the producer to have the applicant sign or initial a statement indicating that the applicant was advised of the availability of the coverage but declined to purchase it. This statement should be retained in the producer's file on the applicant.

If you have any questions concerning this education requirement, please contact the licensing staff at (907) 465-2515.

Dated this 20th day of November, 2006.

A handwritten signature in cursive script that reads "Linda S. Hall". The signature is written in black ink and is positioned above a solid horizontal line.

Linda S. Hall
Director