

1 **11 NCAC 06A .0701 IS PROPOSED FOR AMENDMENT AS FOLLOWS:**

2
3 **SECTION .0700 - PRELICENSING EDUCATION**

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5 **11 NCAC 06A .0701 GENERAL REQUIREMENTS**

6 (a) This Section applies to individuals attempting to obtain a resident license to solicit property, casualty, personal lines,
7 life, accident and health, or sickness insurance in North Carolina except as specifically exempted by ~~Paragraphs~~ Paragraph
8 (b) ~~and (c)~~ of this Rule.

9 ~~(b) Individuals who are exempt from the requirement for a written examination pursuant to G.S. 58-33-35 are exempt~~
10 ~~from prelicensing education requirements.~~

11 ~~(c)~~(b) Individuals holding one or more of the following insurance designations are exempt from prelicensing education
12 requirements:

13 (1) Accident and health or sickness:

- 14 (A) Registered Health Underwriter (RHU);
15 (B) Certified Employee Benefits Specialist (CEBS);
16 (C) Registered Employee Benefits Consultant (REBC); and
17 (D) Health Insurance Associate (HIA).

18 (2) Life:

- 19 (A) Certified Insurance Counselor (CIC);
20 (B) Certified Employee Benefits Specialist (CEBS); ~~and~~
21 (C) Certified Financial Planner ~~(CFP)~~: (CFP);
22 (D) Fellow, Life Management Institute (FLMI);
23 (E) Life Underwriter Training Council Fellow (LUTCF); and
24 (F) Certified Life Underwriter (CLU).

25 (3) Property:

- 26 (A) Accredited Advisor in Insurance (AAI);
27 (B) Associate in Risk Management (ARM); ~~and~~
28 (C) Certified Insurance Counselor ~~(CIC)~~: (CIC); and
29 (D) Chartered Property and Casualty Underwriter (CPCU).

30 (4) Casualty:

- 31 (A) Accredited Advisor in Insurance (AAI);
32 (B) Associate in Risk Management (ARM); ~~and~~
33 (C) Certified Insurance Counselor ~~(CIC)~~: (CIC); and
34 (D) Chartered Property and Casualty Underwriter (CPCU).

35 (5) Personal lines:

- 36 (A) Accredited Advisor in Insurance (AAI);
37 (B) Associate in Risk Management (ARM); ~~and~~

1 (C) Certified Insurance Counselor (~~CIC~~) (CIC); and

2 (D) Chartered Property and Casualty Underwriter (CPCU).

3 (6) Property, casualty, personal lines, life, accident and health or sickness:

4 (A) Holder of four year bachelor degree in insurance (associate or bachelors); insurance; and

5 ~~(B) — An individual whose license in another state or jurisdiction for the same kind of insurance as~~
6 ~~that for which applied has been cancelled within 60 days of the Division's receipt of the letter~~
7 ~~of clearance and the individual's request for waiver of prelicensing education; and~~

8 ~~(C)(B)~~ An individual who is licensed in another state or jurisdiction for the same kind of insurance
9 as that for which applied.

10 ~~(d)(c)~~ If an applicant exempted from prelicensing education under the provisions of Paragraph ~~(e)~~ (b) of this Rule fails
11 the examination, the applicant must successfully meet North Carolina's mandatory prelicensing education requirement
12 prior to retaking the examination. These guidelines are hereby incorporated by reference including the subsequent
13 amendments and editions. Copies of the North Carolina mandatory prelicensing education requirement is available free of
14 charge from the Agent Services Division by email at ASD@ncdoi.gov.

15 ~~(e)(d)~~ In this Section, unless otherwise noted the following definitions apply:

16 (1) "Classroom School" means an entity that provides prelicensing education sponsored by a company,
17 agency, association or educational institution by an instructor utilizing a teaching curriculum based on
18 the outline.

19 (2) "Correspondence Course" means home, self, individual, Internet or correspondence study utilizing
20 programmed text instructions.

21 (3) "Correspondence School" means an entity that provides prelicensing education sponsored by a
22 company, agency, association or educational institution through completion of a correspondence
23 course that has been approved by the Commissioner, pursuant to 11 NCAC 06A .0705, with students
24 individually supervised by an approved instructor.

25 ~~(4)~~ "Disinterested Third Party" means a person not concerned about possible gain or loss in the result of a
26 pending course final examination and does not include the current employer, prospective employer and
27 a member of the applicant's immediate family. "Immediate Family" means a parent, adopted parent,
28 guardian, sibling, children, spouse or grandparent.

29 ~~(5)~~ "Distance Learning" means an educational program in which the licensee and the instructor are in
30 different physical locations and interact with each other through telecommunication.

31 ~~(4)(6)~~ "Instructional Hour" means a 50-minute ~~hour~~, hour for courses taught in a classroom. For courses
32 taught by a correspondence school, one "instructional hour" is determined by using the National
33 Association of Insurance Commissioner's (NAIC) recommended guidelines for online and
34 correspondence courses.

35 ~~(5)(7)~~ "Instructor" means an individual who meets the qualifications required by Rule .0705 of this ~~Section~~;
36 Section

1 (A) ~~to instruct~~ and instructs in a classroom ~~school, or correspondence school.~~ A classroom
 2 instructor who is responsible for ~~preparation and~~ the presentation of lesson plans to assure
 3 that the outline is taught to that school's ~~students,~~ students and for administration of the ~~and~~
 4 ~~who prepares a final course examination; and~~ examination.

5 (B) ~~in a~~ A correspondence school instructor is responsible for assisting and supervising ~~to assist~~
 6 ~~and supervise~~ students in the completion of an approved correspondence or Internet course.

7 ~~(6)~~(8) "Outline" means an instructor/examination content outline prepared and published by the Department
 8 in the "State of North Carolina Insurance Licensure Examination Candidate Guide".

9 ~~(7)~~(9) "Program Director" means the individual associated with an approved classroom or correspondence
 10 school who is responsible for the administration of that school according to Rule .0702(1) of this
 11 Section.

12 (10) "Supervised Examination" means a timed, closed book examination that is monitored and graded by a
 13 disinterested third party.

14 (11) "Supervised Individual Study" means learning through the use of audio tapes, video tapes, computer
 15 programs, programmed learning courses, and other types of electronic media that are completed in the
 16 presence of an instructor.

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 18 *History Note:* ~~Authority G.S. 58-2-40; 58-33-30 (d); 58-33-35; 58-33-132;~~
 19 ~~Eff. February 1, 1989;~~
 20 ~~Amended Eff. October 1, 2010; February 1, 2008; April 1, 1996; October 1, 1990;~~
 21 ~~Amended Eff. February 1, 2008.~~
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