

1 **11 NCAC 06A .0702 IS PROPOSED FOR AMENDMENT AS FOLLOWS:**

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3 **11 NCAC 06A .0702 PRELICENSING EDUCATION SCHOOLS**

4 (a) This Rule applies to all classroom and correspondence schools offering a prelicensing course prescribed by G.S.  
5 58-33-30. All schools desiring to conduct a prelicensing course shall be approved by the Commissioner before  
6 commencement of the courses.

7 (b) A school seeking approval to conduct a prelicensing course shall make written application to the Commissioner.

8 (c) The Division shall approve a school when:

9 (1) the school has submitted all information required by the Rules in this Section;

10 (2) the course to be conducted complies with Rule .0704 of this Section;

11 (3) the program director has been approved by the Commissioner in accordance with Rule .0703 of this  
12 Section; and

13 (4) the school has a qualified instructor to teach each kind of insurance for which it is seeking approval.

14 (d) The Commissioner shall deny, revoke, suspend, or terminate approval of any school upon finding that:

15 (1) the school has refused or failed to comply with any of the provisions of this Section;

16 (2) any school official or instructor has obtained or used, or attempted to obtain or use, in any manner or  
17 form, licensing examination questions;

18 (3) the school's students have a first-time licensing examination performance record that is below the  
19 average examination performance record of all first-time examination candidates;

20 (4) the school has not conducted at least one prelicensing course during any 12-month period; or

21 (5) the school has refused or failed to submit information or properly completed forms prescribed by the  
22 Commissioner.

23 (e) In all proceedings to deny, revoke, suspend, or terminate approval of a school, the provisions of Chapter 150B of the  
24 General Statutes are applicable.

25 (f) When a school's approval is discontinued, the procedure for reinstatement is to apply as a new school, with a  
26 statement of the reasons that the school is now eligible for reconsideration.

27 (g) If a school's approval has been suspended upon the Commissioner's finding that the school has not conducted at least  
28 one prelicensing course during any 12-month period that school may reapply after one year of suspension. At such time,  
29 the Commissioner shall give the school six months to conduct at least one prelicensing course.

30 (h) A school shall notify the Commissioner of any change of course location or schedule information no fewer than five  
31 business days before the change. Notification of the changes shall be in writing.

32 (i) An approved school that intends to terminate its prelicensing program shall notify the Commissioner in writing.

33 (j) A school shall notify the Commissioner in writing of a change of textbook.

34 (k) An approved school may use, for advertising or promotional purposes, examination performance data made available  
35 to the school by the Commissioner, or the examination contractor, provided that any data disclosed by the school shall be  
36 accurate, shall be presented in a manner that is not misleading, and shall:

1 (1) be limited to the annual examination performance data for the particular school and for all insurance  
2 examination candidates in the State; and

3 (2) include the type of insurance examination, the time period covered, the number of first-time  
4 candidates examined, and either the number or percentage of first-time candidates passing the  
5 examination.

6 (l) A classroom school's facilities and equipment shall have been found by appropriate local code inspectors to be in  
7 compliance with all applicable local, State and federal laws and regulations regarding safety, sanitation, and access by  
8 persons with disabilities.

9 (m) The school shall designate one person as the program director. The program director shall be responsible for  
10 administrative matters such as recruiting, evaluating and certifying the qualifications of instructors, developing programs,  
11 scheduling of classes, advertising, maintaining facilities and equipment, recordkeeping and supervising of the  
12 prelicensing program.

13 (n) A school shall publish and provide to all prelicensing students before enrollment a publication ~~of that school~~ that  
14 contains the following information:

15 (1) name of school and publication date;

16 (2) name of sponsor;

17 (3) all associated costs; and

18 (4) an outline or description of all prelicensing courses offered.

19 (o) With the exception of correspondence or Internet courses, a school shall file with the Commissioner information  
20 giving exact dates, times, locations, and instructor name for each scheduled prelicensing course. This information may be  
21 submitted either at the beginning of each quarter or semester or no later than one week before the first class meeting of  
22 each prelicensing course.

23 (p) Classroom schools shall retain the following material on file at one location for at least ~~three~~ five years:

24 (1) class schedules;

25 (2) advertisements;

26 (3) bulletins, catalogues, and other official publications;

27 (4) grade reports, showing a numeric grade for each student;

28 (5) attendance records;

29 (6) master copy of each final course examination, indicating the answer key, the school name, course  
30 location, course dates and name of instructor;

31 (7) list of student names and their license identifying numbers for each course, and the name of the  
32 instructor; and

33 (8) student registration information.

34 All files shall be made available to the Commissioner upon request.

35 (q) Correspondence and Internet schools shall retain the following material on file at one location for at least ~~three~~ five  
36 years:

37 (1) advertisements;

- 1 (2) bulletins, catalogues and other official publications;  
2 (3) grade reports;  
3 (4) list of student names and their license identifying numbers for each course, and the name of the  
4 instructor;  
5 (5) student registration information that shall be obtained prior to the distribution of course material; and  
6 (6) student records to validate the integrity of the security measures utilized by the provider.

7 All files shall be made available to the Commissioner upon request.

8 (r) In the event of illness, injury or death of an instructor, the program director may use a qualified instructor to complete  
9 a course.

10 *History Note:* Authority G.S. 58-2-40; 58-33-30(d); 58-33-132; 58-58-235;

11 Eff. February 1, 1989;

12 Amended Eff. October 1, 2010; February 1, 2008; April 1, 2003; April 1, 1996; November 1, 1990

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