

## TITLE 210 - NEBRASKA DEPARTMENT OF INSURANCE

### CHAPTER 38 - CONTINUING EDUCATION OF INSURANCE PRODUCERS AND CONSULTANTS

**001. Authority.** This rule is issued pursuant to the authority granted by NEB. REV. STAT. §§ 44-101.01 and 44-3908 of the Nebraska Insurance Laws.

**002. Purpose.** This rule is issued for the purpose of implementing and administering provisions of an act establishing requirements for continuing education of insurance producers and consultants (hereinafter referred to as the Act).

**003. Definitions.** For the purposes of this rule, the following definitions shall apply unless the content otherwise requires.

003.01 Credit hours shall be the measure of the hours of continuing education that the director assigns to an approved continuing education activity.

003.02 Licensee shall mean a natural person who is licensed by the Department of Insurance as a resident insurance producer or resident consultant.

003.03 Department shall mean the Department of Insurance.

003.04 Director shall mean the Director of Insurance.

003.05 Two-year period shall mean the period commencing on the date of licensing and ending on the date of expiration of the licensee s first license effective for not less than two years and each succeeding 24 month period.

003.06 Approved courses shall mean classes, seminars, or other forms of instruction that are approved by the director as meeting the requirements of this rule and the Act.

003.07 Due date shall mean the date of expiration of the licensee s two-year license.

003.08 Courses shall mean classes, seminars or other forms of instruction that are filled with the department for certification as an approved course.

003.09 Continuing education sponsor shall mean any person, school, insurer, industry association, or other organization desiring to file or having filed a course with the department.

003.10 Certificate of completion shall mean a certification from the course sponsor to the licensee upon a form approved by the department that the licensee has completed the course.

003.11 A contracted provider shall mean a separate individual, school, insurer, or other organizational entity contracting with an approved continuing education sponsor to administer or implement the approved continuing education sponsor s course, program of study, or subject for continuing education credit.

**004. Applicability.** This rule shall only apply to resident persons licensed to consult and/or engage in the sale, solicitation or negotiation of the following classifications of insurance coverage:

004.01 Life Insurance;

004.02 Accident and Health or Sickness Insurance;

004.03 Property Insurance;

004.04 Casualty Insurance;

004.05 Personal Lines Property and Casualty Insurance;

004.06 Title Insurance;

004.07 Crop Insurance; and

004.08 Miscellaneous Insurance.

**005. Exceptions.** This rule shall not apply to the following persons:

005.01 Licensees for whom an examination is not required under the laws of this state.

005.02 Licensees who sell or consult only in the areas of credit life insurance and credit accident and health insurance.

005.03 Licensees holding such limited or restricted licenses as the Director may exempt.

**006. Education requirements.**

006.01 Any course or program of instruction or seminar developed and/or sponsored by an authorized insurer, insurance education institute, recognized agents association, or insurance trade association or any independent program of instruction, shall, subject to the approval of the director, qualify for the equivalency of the number of credit hours assigned thereto by the director.

006.02 Any correspondence course approved by the director shall qualify for the equivalency of the number of credit hours assigned thereto by the director.

006.03 Any insurance-related course approved by the director taught by an accredited college or university shall qualify for the number of credit hours assigned thereto by the director.

006.04 A person teaching or lecturing at an approved course shall qualify for the same number of credit hours as would be granted to a person taking and successfully completing such course.

**007. Classification of courses.** Approved courses will be assigned at least one of the classifications as follows:

007.01 Life;

007.02 Accident and Health or Sickness;

007.03 Property;

007.04 Casualty;

007.05 Personal Lines Property and Casualty;

007.06 Crop;

007.07 Title;

007.08 General; and

007.09 Ethics.

A course may be assigned more than one classification.

**008. Procedure and standards for approval of such education.**

008.01 Any continuing education sponsor intending to provide approved courses shall first file with the department for approval by the director, on a form approved by the department accompanied by a nonrefundable fee as set forth by NEB. REV. STAT. § 44-3905(1)(a), an outline of the subject matter to be covered, the method of presentation, the qualifications required of the instructor, the number of credits being requested by the course sponsor, and other information supporting the request for approval. Any proposed change to the fee shall be posted by the Department of Insurance on its website for a reasonable period of time in order to allow the general public to

review and provide comment before such fee adjustment is implemented by the director.

008.02 The course filed for approval shall include a statement of the method used to determine whether there has been a positive achievement of education on the part of the licensee being certified as having satisfactorily completed the approved course. The method may be a written examination, written report by the licensee, certification by the providing organization of the licensee's program attendance or completion, or other method approved by the director as appropriate for that approved course.

008.03 Upon receipt of such material, the director will grant or deny certification as an approved course and will indicate the number of credit hours that will be recognized for the course. In cases of denial, the director will furnish a written explanation of this action.

008.04 The director, at his or her discretion, may consider as approved courses, specific programs of study that have broad national or regional recognition, notwithstanding the lack of a request for certification.

008.05 The credit hours for a course, except an approved course of independent study, shall be determined on the basis of contact or classroom hours. For an approved program of independent study, the credit hours will be equal to the credit hours that would be assigned to an equivalent classroom approved course.

008.06 If the approval of a course or program of instruction has not been ruled upon 30 days after the course was filed for approval, it shall be deemed to be an approved course. The director may extend the period allowed to review a course by giving written notice prior to the expiration of 30 days from the date of filing. However, such extension shall not exceed a total of 60 days from the date of filing.

008.07 A continuing education sponsor that alters the teaching method of an approved course or materially amends the content of an approved course shall first recertify the continuing education course with the director in a manner consistent with the requirements of this section.

#### **009. Procedure and standards for approval of continuing education sponsors.**

009.01 Any individual, school, insurer, industry association, or other organization intending to provide a course, program of study, or subject for continuing education credit must submit an application on a form or in a format prescribed by the department, with a nonrefundable fee as set forth by NEB. REV. STAT. § 44-3905(1)(b), to become an approved continuing education sponsor. The director may require any documents reasonably necessary to verify the accuracy of the information contained in an application. Before approving the application, the director shall find that the applicant:

009.01(A) Has demonstrated financial and organizational stability;

009.01(B) Has agreed to comply with the administrative and regulatory guidelines set forth by the department;

009.01(C) Has not committed any act set forth in NEB. REV. STAT. § 44-3905(1)(b)(i) through (xv); and

009.01(D) Has certified to the director that all continuing education instructors utilized by the continuing education sponsor:

009.01(D)(i) Have not had an insurance producer license, or other professional license, denied, suspended, placed on probation, or revoked in Nebraska or in any other state, province, district, or territory; and

009.01(D)(ii) Possesses one of the following qualifications:

009.01(D)(ii)(1) An associate degree or bachelors degree from an accredited school with a concentration in the subject matter being taught;

009.01(D)(ii)(2) Two years of recent experience and 60 hours of course work in the subject matter

being taught;

009.01(D)(ii)(3) Special expertise, such as employment with a governmental entity, or a documented history of research or study in the subject matter being taught; or

009.01(D)(ii)(4) Education and experience that are found by the director to be equivalent.

009.02 The director may request additional documents and/or information as he or she deems necessary to verify a continuing education sponsor applicant meets the qualifications set forth in subsection 009.01 of this rule.

009.03 An approved continuing education sponsor that is found to have used continuing education instructors who do not meet the instructor qualifications as set forth in subsection 009.01(D) of this rule may, after notice and hearing, have its approval rescinded by the director and be subject to an administrative penalty as set forth in NEB. REV. STAT. § 44-3905(1)(b).

009.04 Any proposed change to the fee set forth in subsection 009.01 shall be posted by the Department of Insurance on its website for a reasonable period of time in order to allow the general public to review and provide comment before such fee adjustment is implemented by the director.

#### **010. Procedure and standards for reporting contracted provider agreements.**

010.01 It is the responsibility of the continuing education sponsor to:

010.01(A) Give notice to the director that the continuing education sponsor has appointed a contracted provider to handle their approved course, program of study, or subject for continuing education credit, and provide the department with a description of the authority, duties, and responsibilities granted to the contracted provider; and

010.01(B) Give notice to the director of the primary contact person representing the contracted provider including fax and telephone number, email address and business address. The contracted provider's primary contact person shall be responsible for resolving any course discrepancy that may arise.

010.02 The continuing education sponsor shall be ultimately responsible for the contracted provider's adherence to all requirements set forth in this rule and the Act.

#### **011. Maintenance of records.**

011.01 The department will maintain records of the most recent four years of an insurance producer or consultant's completion of the requirements of the Act.

011.02 The department will maintain a list of the courses that currently are approved by the director.

011.03 A continuing education sponsor will maintain records of the most recent four years of the certificates of completion issued. Such records should identify the following:

011.03(A) Full name of the insurance producer or consultant;

011.03(B) License number or producer identification number of the insurance producer or consultant;

011.03(C) Course title;

011.03(D) Date of course;

011.03(E) Category of course;

011.03(F) Course identification number; and

011.03(G) Number of credits earned.

011.04 The licensee shall maintain copies of the certificates of completion earned for the two most recent two-year periods.

**012. List of approved courses.** The director will provide upon request a list of all approved courses currently available to the public. The list will include information on the location where the approved course is to be held, the number of credit hours assigned as recognition for satisfactory completion of the approved course, and also the classification such as life, property and casualty, or general.

**013. Approved courses - loss of certification.**

013.01 The certification of a course as an approved course may be suspended by the director if, after notice and hearing, the director determines that:

013.01(A) The program teaching method or program content has been changed without first providing notice to the director and obtaining recertification from the director;

013.01(B) A certificate of completion is or has been issued to any individual who did not complete the approved course in accordance with the standards furnished for certification;

013.01(C) Certificates of completion are not given to all individuals who have satisfactorily completed the approved course in accordance with the standards furnished for certification;

013.01(D) Records are not maintained of the certificates issued;

013.01(E) Improprieties have occurred in connection with the classification, application for certification, maintenance of records, teaching method, program content, or issuance of certificates for a particular course or program; or

013.01(F) There has been a failure to give prior notification of course dates, course locations or authorized signatures to the director. The notification must be provided at least two weeks prior to the date the course commences.

013.02 Reinstatement of a suspended certification will be made upon the furnishing of satisfactory proof that the conditions responsible for the suspension have been corrected.

013.03 Where it is determined that improprieties have occurred in connection with a course which is no longer offered by a particular course sponsor, the director may suspend certification of existing approved courses offered by such sponsor for a period of time consistent with the severity of the impropriety.

**014. Independent study.**

014.01 A licensee who studies independently and passes the examination for an approved course will receive credit for the number of hours assigned by the director for completion of the course.

014.02 A licensee who satisfactorily completes an approved correspondence course and provides proof of such satisfactory completion as specified by the department will receive credit for the number of hours assigned by the director for completion of the course.

**015. Course repetition.** A licensee shall not repeat a continuing education activity for credit within a two-year period as the term is defined in subsection 003.05 of this rule.

**016. Advisory committee.** The director may create an advisory committee consisting of representatives from the insurance industry in Nebraska. Each organization desiring representation may submit the name of one member of their organization to the director for his approval. Participation as a member of the advisory committee will be voluntary without compensation from the department. The purpose of the committee will be to comment and review matters concerning continuing education that have been submitted to the committee by the director. Such committee will

convene upon the request of the director that he or she has a matter for their consideration.

**017. Compliance.**

017.01 For good cause shown, the director may grant an extension of time during which the requirements imposed by the Act may be completed. Such extension shall not exceed one year. The extension will not alter the requirements or due date of the succeeding two-year periods.

017.02 Each licensee, shall on or prior to his/her due date, and only upon earning the total credit required for the two-year period, mail or deliver, to the department, the original certificates, of completion certifying that he/she has earned the required credit hours for the applicable two-year period. Such mailing or delivery will be made by placing the certificates of completion in an envelope which is to be addressed to the following:

Nebraska Department of Insurance

Terminal Building

941 O Street, Suite 400

Lincoln, NE 68508

After reviewing the licensee's current business address on file with the department, the department shall notify the licensee whether the certification is accepted or not accepted. Such notification shall be sent to the licensee s current business address on file with the department.

**018. Penalty.** The director shall not renew a license or issue a new license to any licensee who has failed to comply with the requirements set forth in this rule and the Act unless such licensee has received an extension from the director.