

Note from the Codifier: The OAH website includes notices and the text of proposed temporary rules as required by G.S. 150B-21.1(a1). Prior to the agency adopting the temporary rule, the agency must hold a public hearing no less than five days after the rule and notice have been published and must accept comments for at least 15 business days.
For questions, you may contact the Office of Administrative Hearings at 984-236-1850 or email oah.postmaster@oah.nc.gov.

TITLE 11 – DEPARTMENT OF INSURANCE

Notice is hereby given in accordance with G.S. 150B-21.1(a3) that the Department of Insurance intends to amend the rules cited as 11 NCAC 06A .0808, .0811, and repeal the rules cited as 11 NCAC 06A .0701-.0705.

Codifier of Rules received for publication the following notice and proposed temporary rule(s) on: March 2, 2026.

Public Hearing:

Date: March 13, 2026

Time: 10:00 a.m.

Location: 3200 Beechleaf Ct. Raleigh, NC 27604

Reason for Proposed Temporary Action: The effective date of a recent act of the General Assembly or of the U.S. Congress, cite: S.L. 2025-45, Part 1, effective date: October 1, 2025. These proposed actions are necessary to make the Department's current rules for prelicensing education and continuing education align with recently enacted legislation, SL 2025-45. Part 1 amends G.S. 58-33-30 and G.S. 58-33-32 to eliminate prelicensing education requirements for insurance producer applicants to be eligible for licensure in North Carolina. Accordingly, the administrative rules governing prelicensing education are proposed for repeal. Conforming amendments to the continuing education administrative rules are also proposed as necessary due to the revised statutes.

Comment Procedures: Comments from the public shall be directed to: Alisha Benjamin, 1201 Mail Service Center, Raleigh, NC 27699-1201; email NCDOI.Rulemaking@ncdoi.gov. The comment period begins March 13, 2026 and ends April 6, 2026.

CHAPTER 06 - AGENT SERVICES DIVISION

SUBCHAPTER 06A - AGENT SERVICES DIVISION

SECTION .0700 - PRELICENSING EDUCATION

11 NCAC 06A .0701 GENERAL REQUIREMENTS

Authority G.S. 58-2-40; 58-33-30(d); 58-33-35; 58-33-132.

11 NCAC 06A .0702 PRELICENSING EDUCATION SCHOOLS

Authority G.S. 58-2-40; 58-33-30(d); 58-33-132.

11 NCAC 06A .0703 PROGRAM DIRECTORS

Authority G.S. 58-2-40; 58-33-30(d); 58-33-132.

11 NCAC 06A .0704 COURSES

Authority G.S. 58-2-40; 58-33-30(d); 58-33-132.

11 NCAC 06A .0705 INSTRUCTORS

Authority G.S. 58-2-40; 58-33-30(d); 58-33-132.

SECTION .0800 - CONTINUING EDUCATION

11 NCAC 06A .0808 INSTRUCTOR QUALIFICATION

(a) Continuing education providers shall certify that continuing education instructors meet the qualification requirements, ~~which are the same as those for instructors as provided in 11 NCAC 06A .0705(e)~~, except that the Commissioner may approve instructors possessing specific areas of expertise to instruct courses comprising those areas of expertise. Each instructor shall have the following qualifications which shall be verified by the instructor's continuing education provider:

- (1) Accident and health or sickness; Medicare supplement insurance and long-term care insurance:
 - (A) Registered Health Underwriter (RHU);
 - (B) Certified Employee Benefits Specialist (CEBS);
 - (C) Registered Employee Benefits Consultant (REBC);
 - (D) Health Insurance Associate (HIA);

- (E) Five years of full-time experience as an employee, agent, or broker interpreting or explaining policies covering accident and health or sickness insurance, Medicare supplement insurance or long term care insurance;
- (F) Holds an associate degree or bachelor's degree in insurance; or
- (G) Has education and experience that are found by the Commissioner to be equivalent to:
 - (i) A baccalaureate or higher degree and at least two years of experience as an instructor of insurance or as an educational administrator, or;
 - (ii) A baccalaureate degree or higher and at least six years of experience in the insurance industry with a minimum of two years of experience in insurance management.

(2) Life insurance and annuities:

- (A) Chartered Life Underwriter (CLU);
- (B) Chartered Financial Consultant (ChFC);
- (C) Fellow Life Management Institute (FLMI);
- (D) Life Underwriter Training Council Fellow (LUTCF);
- (E) Certified Employee Benefits Specialist (CEBS);
- (F) Certified Financial Planner (CFP);
- (G) Five years of full-time experience as an employee, agent, or broker interpreting or explaining life insurance policies, or annuities;
- (H) Holds an associate degree or bachelor's degree in insurance; or
- (I) Has education and experience that are found by the Commissioner to be equivalent to:
 - (i) A baccalaureate or higher degree and at least two years of experience as an instructor of insurance or as an educational administrator, or;
 - (ii) A baccalaureate degree or higher and at least six years of experience in the insurance industry with a minimum of two years of experience in insurance management.

(3) Property insurance, casualty insurance, and personal lines:

- (A) Chartered Property and Casualty Underwriter (CPCU);
- (B) Accredited Advisor in Insurance (AAI);
- (C) Associate in Risk Management (ARM);
- (D) Certified Insurance Counselor (CIC);
- (E) Five years of full-time experience as an employee, agent, or broker interpreting or explaining property insurance, casualty insurance, or personal lines policies;
- (F) Holds an associate degree or bachelor's degree in insurance; or
- (G) Has education and experience that are found by the Commissioner to be equivalent to:
 - (i) A baccalaureate or higher degree and at least two years of experience as an instructor of insurance or as an educational administrator, or;
 - (ii) A baccalaureate degree or higher and at least six years of experience in the insurance industry with a minimum of two years of experience in insurance management.

(b) Insurance company trainers as instructors shall be full time salaried employees of the insurance company sponsoring the course and shall have as part of their full time responsibilities the duty to provide insurance company training.

(c) College and university instructors may be full time or adjunct faculty of the college or university, and shall be teaching a curriculum course in his or her field of expertise.

(d) The Commissioner shall require applicants and current instructors to submit to a personal interview, provide a video or audio tape, a written history of courses taught or any other documentation that will verify the applicant's qualifications to instruct approved insurance courses.

(e) Temporary instructor authority shall be given to each qualified applicant. The instructor authority shall become permanent after six months unless otherwise denied, suspended, terminated or revoked by the Commissioner.

(f) As a condition to continued instructor qualification, providers shall insure ensure that each instructor teaches at least one prelicensing ~~or~~ continuing education course each calendar year.

(g) The Commissioner shall deny, revoke, suspend, or terminate the approval of an instructor upon finding that:

- (1) The instructor fails to meet the criteria for approval provided by this Rule;
- (2) The instructor has failed to comply with statutes or rules regarding continuing education courses or providers;
- (3) The instructor's employment has been terminated by any approved provider on the grounds of incompetence or failure to comply with institutional policies and procedures;
- (4) The instructor provided false information to the Commissioner;
- (5) The instructor has at any time had an insurance license denied, suspended, revoked, or terminated, by the Commissioner or any other state insurance regulator, or has ever been required to return a license while under investigation;
- (6) The instructor has obtained or used, or attempted to obtain or use, in any manner or form, examination questions.

(h) In all proceedings to deny, revoke, suspend, or terminate approval of an instructor, the provisions of Chapter 150B of the General Statutes shall be applicable.

(i) When an instructor's approval is discontinued, the procedure for reinstatement shall be to apply as a new instructor, with a statement of reasons that the applicant is now eligible for reconsideration. The Commissioner may require an investigation before new approval is granted.

11 NCAC 06A .0811 SANCTIONS FOR NONCOMPLIANCE

- (a) If the license of any person lapses under G.S. 58-33-130(c), the license shall be reinstated when the person has completed the continuing education requirements and paid an administrative fee of seventy-five dollars (\$75.00) within four months after the end of the person's previous compliance year. If the person does not satisfy the requirements for licensure reinstatement within four months after the end of the person's previous compliance year, the person ~~shall complete an appropriate prelicensing education course and~~ pass the appropriate licensing examination, at which time the Commissioner shall reinstate the person's license.
- (b) The Commissioner may suspend, revoke, or refuse to renew a license for any of the following causes:
- (1) Failing to respond to Department inquiries, including continuing education audit requests, within seven calendar days after the receipt of the inquiry or request.
 - (2) Requesting an extension or waiver under false pretenses.
 - (3) Refusing to cooperate with Department employees in an investigation or inquiry.
- (c) The Commissioner may suspend, revoke, or refuse to renew a course provider's, presenters, or instructor's authority to offer courses for any of the following causes:
- (1) Advertising that a course is approved before the Commissioner has granted such approval in writing.
 - (2) Submitting a course outline with material inaccuracies, either in length, presentation time, or topic content.
 - (3) Presenting or using unapproved material in providing an approved course.
 - (4) Failing to conduct a course for the full time specified in the approval request submitted to the Commissioner.
 - (5) Preparing and distributing certificates of attendance or completion before the course has been approved.
 - (6) Issuing certificates of attendance or completion before the completion of the course.
 - (7) Failing to issue certificates of attendance or completion to any licensee who satisfactorily completes a course.
 - (8) Failing to notify the Commissioner in writing of suspected or known violations of the North Carolina General Statutes or Administrative Code within 30 days after suspecting or knowing about the violations.
 - (9) Violating the North Carolina General Statutes or Administrative Code.
 - (10) Failing to monitor attendance and attention of attendees.
 - (11) Preparing and distributing fraudulent certificates of attendance or completion.
 - (12) Failing to ensure that the licensee completes the course hours approved by the Commissioner.
- (d) Course providers and presenters are responsible for the activities of persons conducting, supervising, instructing, proctoring, monitoring, moderating, facilitating, or in any way responsible for the conduct of any of the activities associated with the course.
- (e) The Commissioner may require any one of the following upon a finding of a violation of this Section:
- (1) Refunding all course tuition and fees to licensees.
 - (2) Providing licensees with a course to replace the course that was found in violation.
 - (3) Withdrawal of approval of courses offered by the provider, presenter, or instructor.
- (f) Each year, the Commissioner shall verify each nonresident licensee's record through the NAIC Producer Data Base to ensure that the licensee has complied with the continuing education requirements in the licensee's home state. If the license lapses under G.S. 58-33-32, the Commissioner shall cancel the license.

Authority G.S. 58-2-40; 58-33-125(a); 58-33-130; 58-33-132.