

TITLE 210 -- NEBRASKA DEPARTMENT OF INSURANCE

CHAPTER 67 -- PRELICENSING EDUCATION REQUIREMENTS

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001. Authority. This rule is issued pursuant to the authority granted by NEB. REV. STAT. §§ 44-101.01 and 44-3909 ET. SEQ.

002. Purpose. This rule is issued for the purpose of implementing and administering provisions of the Insurance Producers Licensing Act that establish requirements for prelicensing education of prospective insurance producers and that establish a process of approval for prelicensing education courses and instructors.

003. Definitions. The following definitions shall govern the construction of the terms in this rule.

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

003.02 Licensee shall mean a person licensed by the Director of Insurance as a resident producer.

003.03 Department shall mean the Department of Insurance.

003.04 Director shall mean the Director of Insurance.

003.05 Approved courses shall mean classes, or other forms of instruction approved by the director as meeting the requirements of the Insurance Producers Licensing Act.

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

003.07 Certificate of completion shall mean a certification from the prelicensing education sponsor to the prospective licensee upon a form approved by the director that the prospective licensee has completed the course and has passed the required examination with a grade of not less than seventy (70) percent.

004. Applicability. Prelicensing education shall only apply to resident persons seeking a license to engage in the sale 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. The prelicensing education requirements of this rule shall not apply to an individual who, at the time of application for an insurance producer license:

005.01 Is applying for qualification for the life insurance line of authority and has:

005.01(A) The certified employee benefit specialist designation (CEBS);

005.01(B) The chartered financial consultant designation (ChFC);

- 005.01(C) The certified insurance counselor designation (CIC);
- 005.01(D) The certified financial planner designation (CFP);
- 005.01(E) The chartered life underwriter designation (CLU);
- 005.01(F) The fellow life management institute designation (FLMI); or
- 005.01(G) The Life Underwriting Training Council fellow designation (LUTCF);

005.02 Is applying for qualification for the accident and health or sickness line of authority and has:

- 005.02(A) The registered health underwriter designation (RHU);
- 005.02(B) The certified employee benefit specialist designation (CEBS);
- 005.02(C) The registered employee benefit consultant designation (REBC); or
- 005.02(D) The health insurance associate designation (HIA);

005.03 Is applying for qualification for the property insurance, casualty insurance, or personal lines property and casualty insurance line of authority and has:

- 005.03(A) The accredited advisor in insurance designation (AAI);
- 005.03(B) The associate in risk management designation (ARM);
- 005.03(C) The certified insurance counselor designation (CIC); or
- 005.03(D) The chartered property and casualty underwriter designation (CPCU);

005.04 Has a college degree with a concentration in insurance from an accredited education institution;

005.05 Is an individual described in NEB. REV. STAT. §§ 44-4056 or 44-4058; or

005.06 Holds such limited or restricted licenses as follows:

- 005.06(A) Credit;
- 005.06(B) Motor Club;

005.06(C) Pre-Paid Legal;

005.06(D) Surety;

005.06(E) Travel; or

005.06(F) Variable.

006. Classification of courses.

006.01 Approved courses will be assigned at least one of the classifications as follows:

006.01(A) Life;

006.01(B) Accident and Health or Sickness;

006.01(C) Property;

006.01(D) Casualty;

006.01(E) Personal Lines Property and Casualty;

006.01(F) Crop;

006.01(G) Title; and

006.01(H) General.

006.02 An approved course may be assigned more than one classification.

007. Procedure and standards for approval.

007.01 A prelicensing education sponsor requesting approval for a prelicensing education course shall file with the director an outline of the subject matter to be covered, the method of presentation, the number of credits for each course requested and other information which the director may require to support the request for approval. Such filing shall be on a form approved by the director and shall be accompanied by a nonrefundable fee as established by the director pursuant to NEB. REV. STAT. § 44-3913. 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.

007.02 Upon the receipt of the prelicensing education course material described in subsection 007.01 of this rule, the director shall either approve or deny the

certification of the course. If course certification is approved, the director shall determine the number of credit hours for each course. If course certification is denied, the director shall furnish a written explanation to the prelicensing education sponsor.

007.03 A prelicensing education sponsor seeking to amend or alter an approved prelicensing education course shall first submit to the director the material set forth in subsection 007.01 of this rule. Such filing shall be accompanied by a nonrefundable fee as established by the director pursuant to NEB. REV. STAT. § 44-3913. 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. List of approved courses. Upon request, the director shall provide to the public a list of approved courses currently available. The list shall include information on the number of credit hours assigned as recognition for satisfactory completion of the approved course, and its classification such as life, property and casualty, or general.

009. Approved courses - loss of certification.

009.01 The certification of an approved course may be suspended by the director, after notice and hearing, if the director determines that the prelicensing education sponsor of an approved course has:

009.01(A) Advertised the approved course in a materially misleading manner;

009.01(B) Submitted a course outline with material inaccuracies in topic content;

009.01(C) Presented nonapproved material during the instruction of approved course;

009.01(D) Changed the program teaching method or program content of the approved course in a material manner without prior notice to the director;

009.01(E) Issued a certificate of completion to an individual who did not complete the approved course in accordance with the standards furnished for certification;

009.01(F) Failed to issue certificates of completion to all individuals who have satisfactorily completed the approved course in accordance with the standards furnished for certification;

- 009.01(G) Issued an inaccurate or incomplete certificate of completion;
- 009.01(H) Failed to maintain records of certificates issued;
- 009.01(I) Failed to report disciplinary action taken by another state licensing authority against the prelicensing education sponsor;
- 009.01(J) Committed improprieties in connection with the classification, application for certification, maintenance of records, teaching method, course content, or issuance of certificates for a particular course or program; or
- 009.01(K) Failed to respond to the department within fifteen working days after receipt of an inquiry from the department.

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

009.03 The director may reinstate a suspended certificate provided the prelicensing education sponsor furnishes satisfactory proof to the director that the conditions responsible for the suspension have been corrected.

010. Prelicensing education sponsor records.

010.01 A prelicensing education sponsor shall maintain records of certificates of completion issued for all approved courses for a period of four years from the date the certificate of completion was issued.

010.02 Such records must identify the following:

- 010.02(A) Prospective licensee's full name;
- 010.02(B) Prospective licensee's social security number or other student identification;
- 010.02(C) Course title;
- 010.02(D) Date of course;
- 010.02(E) Category of course;
- 010.02(F) Course identification number; and

010.02(G) Number of credits earned.

011. 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 its organization to the director for his or her approval. Participation as a member of the advisory committee shall be voluntary without compensation from the department. The purpose of the committee shall be to comment and review matters concerning prelicensing education matters submitted to the committee by the director. The committee shall convene upon the request of the director.

012. Qualifications of prelicensing education instructors.

012.01 Any individual intending to instruct a prelicensing education course, program of study, or subject for prelicensing education must submit information to the director demonstrating that he or she possesses good character, reputation, and the appropriate qualifications described in this rule.

012.02 Before authorizing an individual to teach an approved course as a prelicensing education instructor, the director shall find that the individual:

012.02(A) Has demonstrated financial stability;

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

012.02(C) Has not committed any act set forth in subsection 009.01 of this rule; and

012.02(D) Has certified to the director that he or she:

012.02(D)(i) Has 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

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

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

012.02(D)(ii)(2) Two years of recent experience and 60 hours of course work in the subject matter being taught;

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

012.02(D)(ii)(4) Education and experience found by the director to be equivalent to the requirements set forth in this subsection.

012.03 The director may request additional documents and information as he or she deems necessary to verify an individual's qualifications to act as a prelicensing education instructor.

013. Withdrawal of approval of a prelicensing education instructor.

013.01 The director may withdraw his or her approval of a prelicensing education instructor upon determining, after notice and hearing, that the instructor has:

013.01(A) Demonstrated financial irresponsibility in the conduct of business in this state or elsewhere;

013.01(B) Failed to comply with the administrative and regulatory guidelines set forth by the department regarding prelicensing education;

013.01(C) Committed any act set forth in subsection 009.01 of this rule;

013.01(D) 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;

013.01(E) Had his or her employment terminated by a prelicensing education sponsor whose course has been approved by the director, on the grounds of incompetence or failure to comply with the policies and procedures of the prelicensing education sponsor;

013.01(F) Provided false information to the director on any form or application;

013.01(G) Obtained or used, or attempted to obtain or use, in any manner or form, examination questions; or

013.01(H) Failed to employ acceptable instructional principles and methods.

013.02 When the approval of a prelicensing education instructor is discontinued, the procedure for reinstatement shall be to apply as a new instructor, with a statement of reasons that he or she is now eligible for reconsideration. The director may require an investigation before new approval is granted.

014. Classroom facilities. School facilities must be in compliance with all applicable local, state and federal laws and regulations regarding safety, sanitation and access by persons with disabilities.

015. Services provided. Upon request, course sponsors shall provide reasonable accommodations to persons with disabilities pursuant to the Americans With Disabilities Act.

016. Severability. If any section or portion of this rule, or the applicability thereof to any person or circumstance, is held invalid by a court, the remainder of this rule, or the applicability of such provision to other persons, shall not be affected thereby.