

CHAPTER 45-02-04 INSURANCE CONTINUING EDUCATION

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45-02-04-01. Purpose.

Insurance continuing education courses must promote educational activities that advance one's professional expertise and keep the individual abreast with the insurance industry. Routine meetings, luncheons, and gatherings not advertised and developed as insurance continuing education events will not qualify for insurance continuing education credit. This does not apply to industry, regulatory, or legislative meetings held by or on behalf of a professional insurance association in conjunction with North Dakota Century Code section 26.1-26-31.9.

History: Effective July 1, 1986; amended effective January 1, 2008; October 1, 2019.

General Authority: NDCC 26.1-26-49

Law Implemented: NDCC 26.1-26-49

45-02-04-02. Definitions.

As used in this chapter, unless the context or subject matter otherwise requires:

1. "Commissioner" means the insurance commissioner.
2. "Coordinator" means an individual who is responsible for monitoring insurance continuing education offerings and who serves as the liaison for students, instructors, and the commissioner.
3. "Instructor" means an individual who teaches, lectures, or otherwise instructs an insurance continuing education offering.
4. "Insurance continuing education" means an accredited educational experience derived from participation in approved lectures, seminars, and correspondence courses in areas related to insurance. This education must be designed to improve the professional skills of the participant and upgrade the standard of all insurance licensees to better serve the public.

5. "Insurance lines of authority" for insurance continuing education purposes include life and annuity insurance, accident and health insurance, property insurance, casualty insurance, personal lines insurance, and crop hail insurance.
6. "Insurance producer or licensee" means a natural person licensed by this state for the type and kind of insurance being marketed and for which licensing examinations are required.
7. "License" means the authorization issued to an individual by the insurance commissioner to act as an insurance producer.
8. "License applicant" means a person not currently licensed or an insurance producer seeking a license for a line or lines of insurance for which the person is not currently licensed.
9. "National insurance education program" means a curriculum dedicated to the continuance of insurance education, leading to a nationally accepted insurance designation, such as a chartered property casualty underwriter (CPCU), a chartered life underwriter (CLU), or a registered health underwriter (RHU).
10. "Provider" means a natural person, firm, institution, partnership, corporation, or association offering or providing insurance education.

History: Effective July 1, 1986; amended effective December 1, 2001; January 1, 2006; January 1, 2008.

General Authority: NDCC 26.1-26-49

Law Implemented: NDCC 26.1-26-49

45-02-04-03. General rules.

1. **Course requirements.** The insurance continuing education course requirements include an educational presentation involving insurance fundamentals, policies, laws, risk management, or other courses which are offered in a process of instruction approved by the commissioner as expanding skills and developing knowledge to better serve the insurance buying public.
2. **Nonapproved courses.** The following course content will not qualify for insurance continuing education credit:
 - a. Prelicensure training.
 - b. Prospecting.
 - c. Recruiting.
 - d. Sales skills and promotions.
 - e. Motivation.
 - f. Psychology.
 - g. Communication skills.
 - h. Supportive office and machine skills.
 - i. Personnel management.

The above listing does not limit the commissioner's authority to disapprove any application which fails to meet the standards for course approval.

3. **Licensee responsibility.** Each licensee shall be responsible for maintaining original records of the licensee's insurance continuing education certificates of attendance for a period of one

year from the last reporting deadline. Such records shall be made available to the commissioner upon request.

4. **Correspondence course credit.** Credit received by an insurance producer for a correspondence course must be based on successful completion of the course as prescribed by the provider and approved by the commissioner.
5. **Reciprocity.** The commissioner may approve credit for insurance-related courses approved by the North Dakota real estate commission and the North Dakota state bar association for insurance continuing education purposes.
6. **Credit hour.** A credit hour means sixty minutes of time, of which at least fifty minutes must be instruction, with a maximum of ten minutes break.
 - a. Credit hours for insurance continuing education will not be approved in increments of less than one-half hour.
 - b. Neither students nor instructors may earn credit for attending or instructing at any subsequent offering of an insurance continuing education course more than once during a reporting period.
7. **Course audit.** The commissioner or an authorized representative reserves the right to audit insurance continuing education offerings with or without notice to the provider.
8. **Class attendance.** No certificate of attendance will be issued to an insurance continuing education participant who is absent for more than ten percent of the classroom hours.
9. **Examinations.** Course examinations will not be required for insurance continuing education courses, unless required by the provider.
10. **Textbooks.** Textbooks are not required for insurance continuing education courses. All course materials must contain accurate and current information relating to the subject matter being taught.
11. **Approval of course offerings.** The commissioner requires providers of insurance continuing education courses to provide the following:
 - a. To the commissioner on a commissioner-approved form prior to course offerings:
 - (1) An application for course approval of an insurance continuing education course fifteen business days prior to course offering;
 - (2) A complete course outline designating individual topics and the amount of time devoted to each area being taught;
 - (3) An application for coordinator approval; and
 - (4) A fifty dollar per course filing fee;
 - b. A class roster to the commissioner using a method prescribed by the commissioner fifteen days subsequent to completion of all insurance continuing education courses; and
 - c. To course participants subsequent to course offerings provide a course attendance certificate (form SFN 10923) to all students successfully completing an approved insurance continuing education course.

Upon review by the commissioner, providers will receive a copy of the course application indicating approval or denial, credit hours assigned, and a course certification number. Course

certification numbers must be used on all insurance continuing education certificates, correspondence, and advertisements.

12. **Provider management responsibility.** Providers of insurance continuing education courses are responsible for the actions of their respective instructors and coordinators.
13. **Course approval after the fact.** Credit may be granted for a course after the fact provided such courses are properly submitted and approved by the commissioner. Subsequent approval depends on course content and is not automatic or guaranteed.
14. **Advertising.** Courses may not be advertised in any manner unless approval has been granted, in writing, by the commissioner.
 - a. All advertising relating to approved course offerings shall contain the following statement: "This course has been approved by the insurance commissioner for (insert hours) of insurance continuing education credit."
 - b. Advertising must be truthful, clear, and not deceptive or misleading.
15. **Fees.** Fees for courses must be reasonable and clearly identifiable to students. If a course is canceled for any reason, all fees must be returned within thirty days of cancellation.
16. **Adequate facility.** Each course of study must be conducted in a classroom or other facility which will adequately and comfortably accommodate the faculty and the number of students enrolled. The provider may limit the number of students enrolled in a course.

History: Effective July 1, 1986; amended effective January 1, 2000; December 1, 2001; January 1, 2006; January 1, 2008; July 1, 2012.

General Authority: NDCC 26.1-26-49

Law Implemented: NDCC 26.1-26-49

45-02-04-04. General powers of commissioner.

The commissioner may deny, censure, suspend, or revoke the approval of a provider, coordinator, instructor, or course if it is determined not to be in compliance with the statute or rules governing the offering of insurance continuing education courses. The commissioner may also refuse to approve courses conducted by specific providers if the commissioner determines that past offerings have not been in compliance with insurance continuing education laws and rules.

History: Effective July 1, 1986; amended effective January 1, 2006; January 1, 2008.

General Authority: NDCC 26.1-26-49

Law Implemented: NDCC 26.1-26-49

45-02-04-05. Course coordinator.

1. **General requirement.** Each course of study must have at least one coordinator, approved by the commissioner, who is responsible for supervising the program and assuring compliance with the statutes and rules governing the offering of insurance continuing education courses.
2. **Qualifications.** Course coordinators shall possess at least one of the following qualifications:
 - a. A minimum of five years' experience during the immediately preceding five-year period as an active licensed insurance agent;
 - b. At least three years' full-time experience during the immediately preceding five-year period in the administration of an education program; or

- c. A degree in education plus at least two years' insurance experience during the immediately preceding five-year period.
3. **Forms.** Applications for coordinator approval must be submitted on forms prescribed by the commissioner.
 4. **Responsibilities.** Coordinators shall be responsible for, but not limited to, the following:
 - a. Assuring compliance with all laws and rules pertaining to insurance continuing education;
 - b. Notifying the commissioner of any material change in course content;
 - c. Assuring that students are provided with current, accurate information, and classroom facilities conducive to a sound learning environment;
 - d. Evaluation of courses and instructors. The commissioner may request written evaluations of courses and instructors either by students or coordinators;
 - e. Investigating complaints relating to course offerings and instructors, and forwarding all written complaints to the insurance department;
 - f. Maintaining accurate records relating to course offerings, instructors, and student attendance for a period of five years from the date the course was completed;
 - g. Being available to instructors and students by providing the name of the coordinator and a telephone number at which the coordinator can be reached;
 - h. Providing students with course attendance certificates on a form prescribed by the commissioner, within thirty days of course completion; and
 - i. Notifying the commissioner, fifteen days in advance, of any changes in course offering dates and subsequent offering dates of an approved course.

History: Effective July 1, 1986; amended effective January 1, 2006; January 1, 2008.

General Authority: NDCC 26.1-26-49

Law Implemented: NDCC 26.1-26-49

45-02-04-06. Instructors.

1. **General requirement.** Failure to have approved instructors teaching an approved insurance continuing education offering will result in loss of course approval.
2. **Qualifications.** Instructors shall possess the following qualifications:
 - a. Three years of recent experience in the subject area being taught;
 - b. A degree related to the subject area being taught; or
 - c. Two years of recent experience in the subject area being taught and sixty hours of coursework in the subject area being taught.
3. **Responsibilities.** Instructors shall be responsible for, but not limited to, the following:
 - a. Complying with all laws and rules pertaining to insurance continuing education;
 - b. Providing students with current and accurate information;
 - c. Providing a classroom atmosphere conducive to learning; and

- d. Assisting students and responding to questions relating to course material.

History: Effective July 1, 1986; amended effective January 1, 2008.

General Authority: NDCC 26.1-26-49

Law Implemented: NDCC 26.1-26-49

45-02-04-07. Prohibited practices.

Providers, coordinators, and instructors are prohibited from misrepresenting any material submitted to the commissioner.

History: Effective July 1, 1986; amended effective January 1, 2006.

General Authority: NDCC 26.1-26-49

Law Implemented: NDCC 26.1-26-49

45-02-04-08. Extension of time.

The commissioner may grant an extension of time, not to exceed one year, for completion of the requirements for continuing education. Such requests must be in writing and received by the commissioner thirty days prior to the ending date of the period for which the extension is requested. Extensions may be granted for health, disability, or other extenuating circumstances.

History: Effective July 1, 1986.

General Authority: NDCC 26.1-26-49

Law Implemented: NDCC 26.1-26-31.5

45-02-04-09. Licensee report of compliance.

Repealed effective April 1, 2010.

45-02-04-09.1. Continuing education due dates.

On or before the last day of the month of the licensee's birthday following the two-year anniversary of the issuance of a license and every two years thereafter, an individual resident insurance producer must complete continuing education requirements set out in North Dakota Century Code section 26.1-26-31.1.

History: Effective April 1, 2010.

General Authority: NDCC 26.1-26-49

Law Implemented: NDCC 26.1-26-31.1

45-02-04-09.2. Reporting continuing education to commissioner.

Continuing education providers are required to report completion of continuing education courses to the commissioner. However, it is the responsibility of the individual resident insurance producer to ensure that the commissioner's records reflect the completion of the required number of continuing education courses on or before the continuing education due date. The insurance producer must correct any discrepancies in the record through the continuing education provider.

History: Effective April 1, 2010.

General Authority: NDCC 26.1-26-49

Law Implemented: NDCC 26.1-26-49

45-02-04-09.3. Exemptions from continuing education for limited lines.

An insurance producer licensed exclusively for the sale of title insurance, travel or baggage insurance, surety, bail bonds, legal expense insurance, or credit insurance is exempt from continuing education requirements.

History: Effective July 1, 2012.

General Authority: NDCC 26.1-26-49

Law Implemented: NDCC 26.1-26-31.1(1)

45-02-04-10. License revocation.

Repealed effective April 1, 2010.

45-02-04-11. Nonresident continuing education.

A nonresident insurance producer who has satisfied the producer's home state's insurance continuing education requirements and is in good standing in the producer's home state shall electronically submit a uniform application for individual producer license renewal or continuation through the national association of insurance commissioners and pay a biennial continuation fee of twenty-five dollars.

History: Effective January 1, 1992; amended effective December 1, 2001; January 1, 2008; April 1, 2010.

General Authority: NDCC 26.1-26-49

Law Implemented: NDCC 26.1-26-13.4, 26.1-26-31.7

45-02-04-12. Nonresident letter of certification required.

Repealed effective December 1, 2001.

45-02-04-13. Penalty.

Repealed effective April 1, 2010.

45-02-04-14. Cancellation.

Repealed effective April 1, 2010.

45-02-04-15. Continuing education for relicensure.

A resident insurance producer whose license is voluntarily canceled or whose license is canceled for failure to complete the biennial continuation, may apply within twelve months of the cancellation date for a license by submitting an application form and license fee. The applicant will not be required to retake qualifying examinations if the examination results are still valid pursuant to subsection 7 of section 45-02-02-03. However, the applicant must have completed continuing education requirements as though the license had been continuously active throughout the period of cancellation.

History: Effective April 1, 2010.

General Authority: NDCC 26.1-26-49

Law Implemented: NDCC 26.1-26-49