

NAIC Uniform Declaration Regarding Continuing Education Reciprocity Course Approval Guidelines

Whereas, the undersigned Insurance Commissioners of the National Association of Insurance Commissioners, hereafter the Commissioners, have determined that it is unnecessary for each State to perform a substantive review of continuing education courses or individual instructors that have previously been approved by another State.

Whereas, the Commissioners find that it is in the best interest of each of their States and their insurance producers to simplify the continuing education (CE) reciprocity course approval process and reduce barriers to non-resident CE providers that reside in a State.

The Commissioners agree as follows:

1. Once a CE provider residing in a State has received initial approval to offer courses in its home State, that reciprocal State will not require that CE provider to file courses for substantive review that have been awarded credit by the CE provider's home state. A CE Provider's Home State means the state in which the CE Provider Organization maintains his, her or its principal place of residence or principal place of business. However, if the laws or regulations of the CE Provider's home state restrict or limit the minimum or maximum number of credit hours for which a national course may be approved for in that state, the CE Provider may elect to recognize another home state for the filing of its national courses in order to obtain the maximum credits allowed. A CE Provider that elects another home state in which to file its national courses shall elect a state that conducts a substantive review of its courses.

2. Unless specifically limited by State law and regulations, a reciprocal State will award a course the same number of credits and will accept all course topics as approved by the CE provider's home State. A State will agree to a 30-day review and approval process for a course that is filed using the NAIC Uniform Continuing Education Reciprocity Course Filing Form (Exhibit A) A CE provider who wishes to offer topics that are not approvable by the home State may still file a course directly with a State by completing a specific State's course approval form.

3. Each State will accept the NAIC Uniform Continuing Education Reciprocity Course Filing Form (Exhibit A), or a substantially similar form, including the delivery by electronic means, and the required attachment(s) as the sole form required by a non-resident CE provider.
4. Each State will use the following standards for course approval:
 - a. One credit will be awarded for each 50 minutes of contact instruction. Each State will use its own method to award credit for self-study courses.
 - b. The minimum number of credits that will be awarded is one credit, no partial credits will be awarded and there is no maximum number of credits.
 - c. Credits will only be awarded for courses whose subject matter will increase technical knowledge of insurance principles, coverages, laws or regulations and will not be awarded for topics such as personal improvement, motivation, time management, supportive office skills or other matters not related to technical insurance knowledge. If any credits are awarded for sales and/or marketing those credits will be separately noted on the course approval document. Credits for sales and/or marketing will only be awarded in States that are permitted by law or regulation to accept credit for those topics.
 - d. Each State will use its own method to determine if an instructor is qualified and no instructor will be approved unless the CE provider has provided sufficient information to demonstrate that the instructor is qualified, according to that State's laws and regulations, to teach the topics covered in the outline.
 - e. A reciprocal State will not review an instructor's qualifications once that instructor's qualifications have been reviewed and approved by the CE provider's home State.
5. A State's course approval document or approved course application will include, at a minimum, the following information: course name, whether the method of instruction is self-study, whether a course is part of a national or professional designation program and the contact person. A National Course is defined as an approved program of instruction in insurance related topics including a course leading to a National Professional Designation or an insurance course at an institution offered as part of a degree conferring curriculum, presented by an approved CE Provider organization.

6. Each State reserves the right to disapprove individual instructors or CE providers who have been the subject of disciplinary proceedings or who have otherwise failed to comply with a State's laws and regulations.

7. Each State agrees that it will notify other States when a CE provider or instructor has been the subject of a formal administrative action or other disciplinary action by that State.

Drafting Note: The Producer Licensing Working Group needs to make a formal request to NAIC staff to ensure the proper programming and electronic systems are in place through which a provider/instructor is assigned a unique identifier number and notification can be made through the use of electronic means. Can this become part of the NAIC's Regulatory Information Retrieval Systems and the Personalized Information Capture System.

Adopted by the Commissioner of the following States: Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Washington D.C., Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Michigan, Minnesota, Missouri, Mississippi, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, West Virginia, Wisconsin, and Wyoming.

Drafting Note: The Producer Licensing Working Group needs to discuss how to proceed with getting these changes officially agreed upon by states and replacing the existing Midwest Zone Guidelines and Filing Form. The working group also needs to discuss the impact these changes will have for the Uniform Regulation Through Technology.