

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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HOUSE BILL 703
Committee Substitute Favorable 5/1/89
Committee Substitute #2 Favorable 5/15/89

Short Title: Insurance Agent Education.

(Public)

Sponsors:

Referred to:

March 20, 1989

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE FOR A CONTINUING EDUCATION PROGRAM FOR
3 INSURANCE AGENTS, BROKERS, ADJUSTERS, AND MOTOR VEHICLE
4 DAMAGE APPRAISERS.

5 The General Assembly of North Carolina enacts:

6 Section 1. Article 45 of Chapter 58 of the General Statutes is amended by
7 adding two new sections to read:

8 "**§ 58-635. Continuing education program for licensees.**

9 (a) The Commissioner is authorized to promulgate rules to provide for a
10 program of continuing education requirements for the purpose of enhancing the
11 professional competence and professional responsibility of adjusters and motor vehicle
12 damage appraisers. Such rules may include criteria for:

- 13 (1) The content of continuing education courses;
14 (2) Accreditation of continuing education sponsors and programs;
15 (3) Accreditation of videotape or other audiovisual programs;
16 (4) Computation of credit;
17 (5) Special cases and exemptions;
18 (6) General compliance procedures; and
19 (7) Sanctions for noncompliance.

20 (b) The Commissioner shall promulgate rules to provide for the continuing
21 professional education of all agents and brokers, including fraternal field marketers.

1 After January 1, 1991, any North Carolina resident desiring to renew a license as an
2 agent or broker must offer evidence satisfactory to the Commissioner that he has
3 complied with the continuing professional education requirement approved by the
4 Commissioner.

5 Annual continuing professional education requirements shall be determined by the
6 Commissioner, but shall not be less than five or more than 30 hours.

7 No more than fifty percent (50%) of the requirement may be met by taking courses
8 offered by or under the auspices of a fire and casualty or life insurance company
9 admitted to do business in this State. The Commissioner may exempt nonresidents and
10 limited representatives from the continuing professional education requirement. The
11 Commissioner may waive the requirement in cases of certified illness or undue
12 hardship.

13 The Commissioner shall permit any agent or broker to accumulate in advance in any
14 calendar year up to one additional year's annual requirement of continuing professional
15 education.

16 Any licensee who offers evidence satisfactory to the Commissioner on forms
17 supplied by the Commissioner that he has participated in the required continuing
18 professional education courses shall be deemed to have complied with this section.

19 The Commissioner shall have the power to approve continuing professional
20 education courses.

21 (c) The Commissioner is authorized to establish fees to be paid to the
22 Commissioner by agents, brokers, adjusters, and motor vehicle damage appraisers for
23 the purpose of offsetting the cost of additional staff and resources to administer the
24 program authorized by this section.

25 **"§ 58-636. Continuing education advisory committee.**

26 (a) The Commissioner shall appoint, in accordance with G.S. 58-7.4, one
27 advisory committee for fire and casualty insurance licensees and one advisory
28 committee for life and health insurance licensees. The advisory committees shall
29 recommend reasonable rules to the Commissioner for promulgation under G.S. 58-635.
30 The Commissioner may adopt, reject, or modify such recommendations. After the
31 promulgation of rules under G.S. 58-635, the committees may from time to time make
32 further recommendations to the Commissioner for additional rules or changes in
33 existing rules.

34 (b) The fire and casualty advisory committee shall comprise:

35 (1) Three employees of the Department of Insurance;

36 (2) Two representatives from a list of four nominees submitted by the
37 Independent Insurance Agents of North Carolina;

38 (3) Two representatives from a list of four nominees submitted by the
39 Carolinas Association of Professional Insurance Agents (North
40 Carolina Division);

41 (4) Two representatives from a list of four nominees submitted by the
42 North Carolina Adjusters Association; and

- 1 (5) Two representatives of fire and casualty insurers from a list of four
2 nominees submitted by the Association of North Carolina Property and
3 Casualty Insurance Companies.
- 4 (c) The life and health advisory committee shall comprise:
- 5 (1) Three employees of the Department of Insurance, which may be the
6 same persons appointed under subsection (b) of this section;
- 7 (2) Two representatives from a list of four nominees submitted by the
8 North Carolina Association of Life Underwriters;
- 9 (3) Two representatives of life and health insurers from a list of four
10 nominees submitted by the Association of North Carolina Life
11 Insurance Companies;
- 12 (4) Two representatives from a list of four nominees submitted by the
13 General Agents and Managers Association; and
- 14 (5) Two licensed health insurance agents from a list of four nominees
15 submitted by the North Carolina Association of Health Underwriters."
- 16 Sec. 2. This act is effective upon ratification.