



NEW DOI GUIDELINES FOR AGENTS' LICENSING

Effective 10/1/2010, the Department of Insurance is changing the procedures that applicants for agents' licenses must follow to receive their license. What is being affected is the application process that each licensee must follow after he or she passes the state licensing exams(s). Applicants are now required to submit an electronic application through the National Insurance Producer Registry (NIPR). The applicant will pay the applicable fees for the license through the electronic application (license, registration, criminal history record check if applicable) via credit card or electronic check. The Department's exam vendor, Pearson VUE, will no longer collect the state license fees and the exam fee for EACH exam attempt will be \$51.50. In addition, initial insurance producer applicants will need to submit fingerprints electronically for a criminal history background check before the license application can be reviewed for a licensure decision by the Department.

The major impact of these changes is that, **for first-time licensees**, there can be a delay of up to 60 days between the time that the applicant passes the state exam and when they receive their license. This is due to new requirements that these applicants furnish fingerprints and undergo a criminal history record check. During this application review time, the applicant may NOT exercise the privileges of the license. In other words, they may not sell, solicit or negotiate insurance until they receive an email notification from the Department that their license has been issued and is ready for them to print.

Applicants that are required to submit fingerprints are detailed in [Title 11, North Carolina Administrative Code 06A.0418](#) effective 10/1/2010.

Please note that the Department put a transition process in place for applicants that took an exam prior to 10/1/2010 and did not pass the exam. If the applicant already paid the state license fee to Pearson VUE for a first exam attempt prior to 10/1/2010 and is making another exam attempt AFTER 10/1/2010 for the same license (within 90 business days), he/she will need to send NCDOT-Agent Services Division the first fail notice and the subsequent pass notice. The Department will review the license application data from Pearson VUE to make the license decision.

Example: License applicant takes the Life exam on 9/25/2010, pays \$106.50 to Pearson VUE at exam reservation. Applicant does not pass the Life exam on 9/25/10. Next he/she makes a reservation for an exam on 10/5/2010 and pays ONLY the exam fee to Pearson VUE of \$51.50. He/she passes the exam on 10/5/2010. Instead of following the instructions on the PASS notice, since they already paid the \$50.00 license registration fee to Pearson VUE for the 9/25/2010 exam attempt, he/she will need to send NCDOT-Agent Services Division the first fail notice and the subsequent pass notice. The Department will review the license application data from Pearson VUE to make the license decision. Since they made initial application during their exam attempt prior to 10/1/2010, they do not have to submit the fingerprints with the application.

This transition process will end on 12/29/10 as it is only needed for the 90 business days following 10/1/2010. It will end for the individual on the date the person fails the exam on the 5th attempt in this 90 day period. The statutes require a person to start over with PLE and exam after five (5) attempts or in 90 days from course completion whichever comes first. Any individual who must start the process again would be required to submit fingerprints (if applicable).

If you are an agency owner or principal in charge of getting your new staff licensed, [click here for tips to help expedite the new licensing procedure](#). We think it is important that you are familiar with the process so that you may help your staff through it.