



FEMA

August 13, 2010

Anne Marie Narcini  
Chair, Producer Licensing Working Group  
New Jersey Department of Banking and Insurance  
20 West State Street, CN 325  
Trenton, New Jersey 08625

Dear Ms. Narcini:

I was pleased to hear that the Producer Licensing (EX) Working Group is holding a public hearing on Producer Testing and Exam Development during the NAIC Summer National Meeting in Seattle, Washington. Enclosed is a written statement for your consideration.

The Federal Emergency Management Agency (FEMA) has always been interested in working with the State Insurance Departments, or their testing vendors, to review and assist with writing flood insurance questions to be used on the exams. Various producer exams are being used nationally, and standardizing the flood insurance content on those exams would help to strengthen producers' basic understanding of flood insurance during the licensing process.

I also noticed that you will be discussing how providers of pre-licensing education are monitored to assure proper instruction. It is very important to monitor the delivery of training, with regard to flood insurance, to ensure the instructor is sufficiently well versed to educate others and provide a clear understanding of flood insurance. To our knowledge, the flood insurance content on most exams is minimal, but as we have seen, flooding is becoming more frequent and severe. The agent community needs to be educated well enough, to best protect their agencies from errors and omissions exposures, and serve their policyholders and property owners. If the flood insurance content on these exams could be expanded, it would offer a great educational opportunity for insurance professionals to become more aware of how important reinforced knowledge of flood insurance is to them and their employers. This may also inspire insurance agents to specialize in flood insurance, and consider earning the Associate in National Flood Insurance (ANFI™) professional flood insurance designation. I hope the recent letter I sent to you regarding the ANFI was informative.

Anne Marie Narcini  
August 13, 2010  
Page 2

I appreciate the Producer Licensing Work Group's efforts to hold this hearing requesting input from others to improve upon the licensing process for insurance professionals. If there is any interest in working with FEMA with regards to standardizing and expanding the flood content on the licensing exams, please contact Harriette Kinberg, Chief, Industry and Public Relations Branch at 202-212-4731, or by electronic mail at Harriette.Kinberg@dhs.gov.

Sincerely,

A handwritten signature in cursive script, reading "Edward L. Connor".

Edward L. Connor  
Acting Federal Insurance and Mitigation Administrator

Enclosure

cc. Greg Welker, NAIC

EC: ma