

Producer Licensing

Pre-Licensing Education Mandate: Talking Points

By: NAIFA Government Relations (Updated September 2025)

Talking Points

- ◆ NAIFA strongly supports states maintaining high standards of knowledge and professionalism for producers entering the industry and that they continue to require new producers to demonstrate the necessary knowledge required to obtain an insurance license.
- ◆ Insurance licensing exams remain the most important and valid component for testing adequate knowledge for licensing, separating the qualified from the unqualified.
- ◆ Pre-licensing education mandates should be removed to provide greater uniformity among the states and with similar financial services exams administered by FINRA. To date, 32 states plus the District of Columbia, have done away with these mandates.
- ◆ States who have removed pre-licensing education barriers report no adverse impact on exam passing rates or exam scores.
- ◆ Further, states that collect study data show that exam takers nearly universally report they engage in pre-licensing education. This indicates that the mandates are not necessary to ensure exam takers will adequately study.
- ◆ The insurance industry lacks an adequate number of producers to serve the needs of Americans as recruiting and retention for new producers continue to decline.
- ◆ Pre-licensing education mandates currently serve as an unnecessary barrier for new producers entering the industry and potentially have a disproportionate impact on minority candidates.
- ◆ Pre-licensing education reform is just one aspect of a broader industry-wide initiative to remove unnecessary barriers and encourage people from all backgrounds, nationalities, and socioeconomic classes to embark on rewarding careers in financial services, and to grow our industry as a whole.

Additional Questions? Contact Us.

For additional questions or assistance, please contact NAIFA State Government Relations Director, Bianca Alonso Weiss at bweiss@naifa.org or visit advocacy.naifa.org.