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Uniformity (D) Working Group

Conference Call

# Dec. 19, 2017

The Uniformity (D) Working Group of the Producer Licensing (D) Task Force met via conference call Dec 19, 2017. The following Working Group members participated: Keith Kuzmich, Chair, and Tyler McKinney (CA); Chris Murray (AK); Matthew Guy (FL); Lisa Tordjman (ID); Jill A. Huisken and Michele Riddering (MI); Kevin Schlautman (NE); Otis Phillips (NM); Barbara D. Richardson and Joy Miller (NV); Karen Vourvopoulos (OH); Rachel Chester (RI); Mike Beavers (VA); and Cheryl Penn (WA). Also participating was: Steve Fromholtz (AZ).

1. Reviewed the NAIC Uniform Applications

Mr. Kuzmich said the Working Group sent out an email soliciting comments on the NAIC Uniform Application for the Producer and Adjuster, including the initial and renewal versions. Ms. Kuzmich said as of Nov. 7, the Working Group had received 14 suggestions from state insurance regulators and industry. The Working Group will schedule conference calls, as necessary, to finish the review of all submissions. Mr. Kuzmich said the Working Group would review all four applications and comments and adopt all applications at the same time.

Mr. Kuzmich said the first suggestion concerns the top of the application under the “Non-Resident” license check box. Oklahoma suggested that the Working Group remove the “identify home state” and “home state license number.” Mr. Kuzmich said Oklahoma’s explanation was that it has been questioned during several legal hearings about the legality of having an “Authorized Submitter” fill out an application for an applicant. There is no legal recourse to go after a “submitter” when information is intentionally falsified. Oklahoma suggested that it would be beneficial to discuss this portion of the application with other state insurance regulators to determine if additional information on the submitter (date of birth [DOB], Social Security number [SSN], contact information, etc.) can be gathered so action can be take action against an authorized submitter in the event of willful falsification. The National Insurance Producer Registry (NIPR) user agreement briefly touches on this issue. But, to the Working Group’s knowledge, NIPR does not keep track or require a signed authorization for a submitter to complete an application on behalf of an applicant. Mr. Kuzmich said this suggestion will be tabled until Oklahoma can be available to discuss its recommendation.

Mr. Kuzmich said the next comment concerns Section 13 – Home Phone Number. Ms. Vourvopoulos said Ohio submitted this suggestion asking that the Working Group consider adding a “mobile phone number” section. Ms. Vourvopoulos said that a mobile phone number is a common form of contact and that many people no longer have home phone numbers. Mr. Beavers said he agrees due to the future possibilities of texting, that having the mobile number on file would be beneficial. Mr. Murray said it would be easier to change this section to a “Contact Phone Number.” Ms. Riddering said that it would be difficult for Michigan to change its database and recommends a new field capturing the “mobile phone number.” Diana Ivey (Marsh) said that the Securities and Insurance Licensing Association (SILA) submitted a related comment stating that many people only have a mobile phone and that there are still individuals who only have a home or landline phone. Ms. Ivey said that SILA states the intent is to have one field that could either be “mobile” or “landline.” The Working Group agreed with the decision since the application already separates out contact information for home and business and then discussed whether this change would affect the reports received from the State Producer Licensing Database (SPLD). Mr. Kuzmich said NIPR would be able to verify whether this information would be affected. Mr. Kuzmich said, it would be changed to “Contact Phone Number,” and further discussion would take place with NIPR to see whether the SPLD or any other electronic process would be affected.

Mr. Kuzmich said the next suggestion concerns Section 15 – Gender. Ms. Vourvopoulos said Ohio has had several applications recently in which the applicants do not identify with the male or female designation. Ms. Vourvopoulos said Ohio suggests that “Non-Binary” be added as an option, along with male and female. Mr. Murray said he does not know that the gender is necessary to collect for the purposes of the producer applications. The Working Group discussed and agreed to add “Non-Binary” as an additional gender selection.

Mr. Kuzmich said California submitted a comment concerning Section 17 – Business Entity Name asking whether the Working Group needs to add “Employer Business Entity Name” if the intent is to capture that specific information. The Working Group agreed this information should be added to the application.

Mr. Kuzmich said the next comment concerns Section 25 – Business Fax Number. Diana Capes (SILA) said SILA has concerns about the electronic application requesting that the “Business Fax Number” be considered as optional. Laurie Wolf (NIPR) said NIPR would look into this request and confirm there are no issues. Ms. Wolf said NIPR would verify if the fax number is a mandatory field. Ms. Wolf said that the Working Group should keep in mind that the demographic information on the application is typically deemed a required field by most states’ business rules and that before changes are made to remove anything, state insurance regulators need to determine if the information still needs to be collected. Mr. Kuzmich said the Working Group will table this suggestion until further information is provided from NIPR.

Mr. Kuzmich said the next suggestion is from SILA regarding Section 14 – Individual Applicant Email Address and Section 26 – Business Email Address. Ms. Capes said the request is to add a “Preferred Email Address” field. Ms. Capes said that individuals have the ability to use multiple email addresses and that it would be beneficial to indicate which one is to be used for contact. Ms. Wolf said during the last review of the applications, Section 14 was added and is to be used as the preferred email address. Ms. Capes said the purpose is to designate the email address that should be used to make contact with the producer. Mr. Murray said Section 14 should be changed to “Contact Applicant Email Address”. The Working Group discussed and agreed Section 14 should be kept as is and a new field “Preferred Email Contact” would be added.

Mr. Kuzmich said two comments were received concerning Section 34a – List any other assumed, fictitious, alias, maiden or trade names that you have used in the past. Ms. Capes said the request from SILA is to change the question since sometimes a state will take answers to this question as though an individual wants to continue doing business under the name listed when, in fact, that is not the intent. Ms. Capes said that question is used for applicants to list names they currently use in other jurisdictions but do not intend to use going forward. Ms. Capes said if the state wants to capture assumed names to be used in the requested state, then the working group should consider adding a secondary question: *List any assumed, fictitious, alias, maiden or trade names that you intend to use in the requested state.* Mr. Kuzmich said the purpose of asking for any different names is to perform an appropriate background search. Ms. Vourvopoulos said that Ohio uses this question for the same purpose. The Working Group discussed and agreed. Ms. Capes suggested adding a question that would list any trade names currently doing business and then a second part asking for any names that an individual will use to do business in the future. Mr. Fromholtz said he has witnessed the issues explained by Ms. Capes. Mr. Fromholtz said a new applicant might be using a name for current business but does not plan on using that name in Arizona. The Working Group discussed and agreed that adding “in this jurisdiction” to part b would clear up any confusion.

# Having no further business, the Uniformity (D) Working Group adjourned.

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