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Producer Licensing Uniformity (D) Working Group

*(f.k.a. Uniform Licensing (D) Working Group)*

Conference Call

# March 15, 2018

The Producer Licensing Uniformity (D) Working Group of the Producer Licensing (D) Task Force met via conference call March 15, 2018. The following Working Group members participated: Chris Murray, Chair (AK); Karen Vourvopoulos, Vice Chair (OH); Charlene Ferguson (CA); Matthew Guy (FL); Lisa Tordjman (ID); Gina Goodro (NE); Lorinda Martinez (NM); Barbara D. Richardson and Stephanie McGee (NV); Rachel Chester (RI); Dan Nelson (SD); Richard Tozer (VA); Jeff Baughman (WA); and Melody Esquivel (WI). Also participating was: Joan LaCourse (MD).

1. Reviewed the NAIC Uniform Applications

Mr. Murray said the NAIC Uniform Applications were last opened for review in 2014. Mr. Murray said following the 2014 review, the Working Group decided that the applications would not be monitored and a full review would not be completed again unless significant changes were deemed necessary.

Mr. Murray said, in November 2017, the Working Group solicited comments on all applications to determine whether an open review was necessary. Due to the numerous comments and suggestions received, the Working Group decided to move forward with the review process. Mr. Murray said the Working Group met Dec. 19, 2017, (Attachment One-A) to begin reviewing the comments received on the Individual Initial Producer Application.

Mr. Murray said, for this conference call, the Working Group will continue reviewing the applications from where they stopped in December. Mr. Murray said, before beginning the review, he would like to confirm the structure for the review process. The Working Group will be reviewing one application at a time and the Working Group will come to an agreement on all suggested changes before moving on to the next application. Mr. Murray said the uniform applications would then all be considered for adoption at the same time and presented to the Producer Licensing (D) Task Force by June 1 for its consideration.

Mr. Murray said the Working Group will move forward from the previous conference call with the suggested revisions received on Section 35—Agency or Business Entity Affiliations found on the Individual Initial Producer Application. Mr. Murray said the American Council of Life Insurers (ACLI) submitted a comment asking that the states ensure they are consistent with use of the agency information collected.

Linda Brunette (Securities Insurance Licensing Association—SILA) said SILA would also question the consistency and uniform usage of this information by the states. The Working Group discussed and agreed that, due to the different tracking of this information by the states, it would not be necessary to keep this section.

Mr. Murray said the next comment received was from Florida requesting to remove Section 36—Employment History, which asks for five years of employment history. Mr. Vourvopoulos said Ohio requires five years of employment history. Ms. LaCourse and Ms. Chester said Maryland and Rhode Island also require applicants to provide five years of employment history; therefore, they suggest keeping on application. The Working Group discussed and determined there are significant reasons to keep this section; however, the language should be reviewed and updated to clarify what is being asked of the applicant.

Mr. Murray asked Laurie Wolf (National Insurance Producer Registry—NIPR) if NIPR staff could review the language and provide any revisions that may clean up this section. Mr. Murray said based off the many inquires the NIPR customer service team receives, they could suggest revised language that would be more streamlined and clear for the applicants. Greg Welker (NAIC) said he would work with Ms. Wolf and bring back suggested language to the Working Group.

Mr. Murray said the next suggestion was from Mississippi on page 2 of the application, Section 37—Jurisdiction and Type of License, requesting that the Working Group review the available licensing types listed and remove the word “agent.” Ms. Wolf said there are states that have separate agent and broker licenses and, as such, it would be necessary to keep this type on the grid. Ms. Wolf said the grid was originally created to address the major lines of authority and core limited lines. Mr. Murray agreed and said the Working Group should stay with the original intent.

Mr. Tozer said Virginia is fully electronic and, because this grid is only on the paper application, he asked if it would be necessary to keep it on the application. Diane Karis (Perr and Knight) said the grid is a useful resource to see what the states offer. The Working Group discussed separating the grid from the application and instead offering a grid on the NAIC website.

Ms. Vourvopoulos said, if the grid is removed, any individual submitting a paper application would not be able to specify the license they are pursuing. The Working Group agreed that the grid should stay on the application and that all states and jurisdictions should review the grid and confirm that their own information is correct.

# Mr. Murray said the Working Group will meet again in April via conference call.

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

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