*Adopted by the Producer Licensing (D) Task Force, Oct. 7, 2026*

**Chapter 1**

**Modern Producer Licensing**

The process for licensing insurance producers has had numerous phases. The first NAIC model on this subject was the NAIC *Agent and Broker Model*. The next phase was the NAIC *Single License Procedure Model*. Although development of the newest model began in the late 1990s, it was the U.S. Congress' (Congress') passage of the Gramm-Leach-Bliley Act (GLBA) in 1999 that caused the NAIC to speed up the development of the *Producer Licensing Model Act* (#218).

**Uniformity Provisions of the GLBA Adopted in 1999**

In order to achieve the licensing uniformity standards of the GLBA, a majority of the states had to satisfy all five of the following requirements:

1. Adoption of uniform criteria regarding a producer's integrity, personal qualifications, education, training and experience, which must include qualification and training on the suitability of products for a prospective customer.
2. Adoption of uniform continuing education (CE) requirements.
3. Adoption of uniform ethics course requirements in conjunction with other CE requirements.
4. Adoption of uniform suitability requirements based on financial information submitted by the customer.
5. Elimination of nonresident requirements posing any limitation or condition because of the place of the producer's residence or business, except for countersignature requirements.

One of the major provisions of the GLBA was a provision to create the National Association of Registered Agents and Brokers (NARAB). While much progress was made to improve uniformity and streamline nonresident producer licensing, the NAIC endorsed the provisions of the Terrorism Risk Insurance Program Reauthorization Act of 2015 (Public Law 107-297), which modified NARAB. These provisions, commonly referred to as NARAB II, were signed by President Barack Obama on Jan. 12, 2015.

NARAB II is intended to streamline the nonresident producer licensing process while preserving the states' ability to protect consumers and regulate producer conduct. NARAB II does not create a federal insurance regulator but establishes a nonprofit corporation, known as NARAB, controlled by its board of directors. The stated purpose of the legislation is to provide "a mechanism through which licensing, CE, and other nonresident insurance producer qualification requirements and conditions may be adopted and applied on a multistate basis without affecting the laws, rules and regulations, and preserving the rights of a state, pertaining to certain specific producer-related conduct."

NARAB is to be governed by a 13-member governing board comprising eight state insurance commissioners and five insurance industry representatives subject to presidential appointment and U.S. Senate (Senate) confirmation. NARAB, acting through its board of directors, will establish membership criteria through which producers can obtain nonresident authority to sell, solicit or negotiate insurance. Satisfaction of membership criteria means a producer can sell, solicit or negotiate insurance (and perform incidental activities) in any state for which a producer pays that state's licensing fee for any line(s) of insurance for which the producer is licensed in the home state. NARAB membership is not mandatory for producers.

The law preserves the rights of a state pertaining to resident licensing and CE, the supervision and enforcement of conduct, and disciplinary actions for nonresident producers; and it leaves a state's full range of authorities for resident producers intact. Model #218 also includes important disclosures to the states, addresses business entity licensing, and protects state revenues.

Through the efforts of the Producer Licensing (EX) Task Force and the Producer Licensing (EX) Working Group, the NAIC monitors state compliance with reciprocity guidelines. The NAIC also set a goal to create uniform licensing practices. The Working Group has adopted a number of Uniform Licensing Standards and guidelines, and it continues to strive toward a more efficient licensing system among the states.

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**National Insurance Producer Registry**

~~The NAIC has long advocated for increased use of technology to streamline licensing processes. In 1996, the NAIC collaborated with industry to create the Insurance Regulatory Information Network (IRIN) as a nonprofit affiliate of the NAIC. In 1999, the organization changed its name to the National Insurance Producer Registry (NIPR). The purpose of the NIPR is to work with the states and the NAIC to re-engineer, streamline, and make more uniform the producer licensing process for the benefit of state insurance regulators, the insurance industry, and consumers.~~

In 1994, a key component of the NAIC's strategic plan was to create the tools needed to improve the effectiveness and efficiency of state licensing processes. In partnership with state regulators and industry stakeholders, it was proposed to create a national network to support regulators in overseeing and licensing producers, while also providing companies with a database to help them meet regulatory requirements. As a result, a new entity was formed as an affiliate of the NAIC. The Insurance Regulatory Information Network (IRIN), later renamed National Insurance Producer Registry (NIPR), was a public-private effort, officially incorporated in October 1996. The objective was to build a uniform producer licensing system to deliver a cost-effective, streamlined process.

NIPR worked with the NAIC to develop and implement: 1) the Producer Database (PDB), which includes licensing information from 50 states, ~~Washington, DC and Puerto Rico,~~ the District of Columbia, Puerto Rico, Guam and the U.S. Virgin Islands, utilized by the industry for licensing and appointment information; and 2) the State Producer Licensing Database (SPLD) for use by state insurance regulators.

~~The states use NIPR to link state insurance departments with the entities they regulate. Applicants and licensees can transmit licensing applications, insurers can transmit appointments and terminations, and both can transmit other information to state insurance regulators in multiple states, thereby creating electronic solutions that are easy and efficient to use by the states and industry.~~

~~Additionally, using the subsequent launch of the Attachment Warehouse, an applicant who answers "yes" to any background question on the NAIC Uniform application can submit the required supporting documentation at the time he or she is applying for or renewing a license. The submission of a document to the Attachment Warehouse will trigger an email alert to the appropriate state(s) notifying the state(s) that supporting documentation has been submitted to fulfill document requirements pertaining to the "yes" answer on the background. The advantage to the producer and the state(s) is that the documentation can be sent to the Attachment Warehouse once, and all appropriate states will be notified and have the ability to view, download or print the document. The Attachment Warehouse also allows a producer to meet the requirements fromof the states to report and submit documentation related to any regulatory action taken against him/her. This enables the producer to meet this regulatory obligation quickly in order toto comply with the typical state requirement for producers to report an action within 30 days. The third feature allows Additional Licensing Documents (ALD) to be submitted to the state insurance departments for any pending uniform application/renewal. Through the use ofUsing the Attachment Warehouse, all states in which the producer is licensed are notified with an email alert and have access to the document.~~

NIPR offers two primary product lines: ~~producer l~~Licensing and ~~c~~Compliance ~~monitoring~~Management. The producer licensing products are managed through the Gateway, an electronic platform that facilitates the exchange of producer information between state insurance regulators and the entities they oversee. The aim is to streamline communication and enable the rapid distribution of information. This includes licensing applications and renewals, appointments and terminations, contact change requests, ~~and~~ the attachment warehouse, and other credentialing products. For compliance monitoring, NIPR uses the Producer Database (PDB), a centralized hub for producer licensing data, for the industry to track important details about licensed insurance professionals. These products include the detail report, company appointment report, and Alerts.

A complete list of jurisdictions using NIPR products and services is available at *www.nipr.com*. ~~The website has an updated list of the states that are making active use of NIPR electronic processing. (Product List by State)~~

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