

PRODUCER LICENSING (D) TASK FORCE

Producer Licensing (D) Task Force Nov. 17, 2024, Minutes

Producer Licensing (D) Task Force Oct. 31, 2024, Minutes (Attachment One)

Adjuster Licensing (D) Working Group Nov. 6, 2024, Minutes (Attachment Two)

Producer Licensing Uniformity (D) Working Group Nov. 7, 2024, Minutes (Attachment Three)

Producer Licensing Uniformity (D) Working Group Sep. 10, 2024, Minutes (Attachment Four)

Uniform Education (D) Working Group Nov. 13, 2024, Minutes (Attachment Five)

Uniform Education (D) Working Group Oct. 29, 2024, Minutes (Attachment Six)

Uniform Education (D) Working Group Oct. 9, 2024, Minutes (Attachment Seven)

Draft Pending Adoption

Draft: 11/25/24

Producer Licensing (D) Task Force
Denver, Colorado
November 17, 2024

The Producer Licensing (D) Task Force met in Denver, CO, Nov. 17, 2024. The following Task Force members participated: Larry D. Deiter, Chair (SD); Glen Mulready, Vice Chair, represented by Erin Wainner and Courtney Khodabakhsh (OK); Lori K. Wing-Heier represented by Heather Carpenter (AK); Mark Fowler represented by Jimmy Gunn (AL); Ricardo Lara represented by Charlene Ferguson (CA); Trinidad Navarro (DE); Doug Ommen represented by Mathew Cunningham (IA); Dean L. Cameron (ID); Holly W. Lambert represented by Ronda Ankney (IN); Vicki Schmidt represented by Monicka Richmeier (KS); Sharon P. Clark (KY); Timothy J. Temple represented by Matt Stewart (LA); Marie Grant represented by Mary Kwei (MD); Grace Arnold represented by Jacqueline Olson (MN); Chlora Lindley-Myers represented by Marjorie Thompson (MO); Mike Chaney represented by Vanessa Miller (MS); Jon Godfread represented by Janelle Middlestead (ND); Eric Dunning represented by Megan VanAusdall (NE); Judith L. French represented by Todd Oberholtzer (OH); Andrew R. Stolfi represented by TK Keen (OR); Michael Humphreys represented by David Buono and Gary Jones (PA); Elizabeth Kelleher Dwyer represented by Mariel Garcia and Rachel Chester (RI); Cassie Brown represented by Randall Evans (TX); Jon Pike represented by Randy Overstreet (UT); Scott A. White represented by Richard Tozer (VA); and Allan L. McVey represented by Robert Grishaber (WV).

1. Adopted its Oct. 31 Minutes

The Task Force met Oct. 31. During this meeting, it took the following action: 1) adopted its Summer National Meeting minutes; 2) adopted its 2025 proposed charges; 3) adopted amendments to the NAIC's Uniform Licensing Applications; 4) discussed amendments to the *Public Adjuster Licensing Model Act* (#228); and 4) discussed the draft 1033 waiver template.

Commissioner Navarro made a motion, seconded by Miller, to adopt the Task Force's Oct. 31 minutes (Attachment One). The motion passed unanimously.

2. Adopted Amendments to Model #228

Commissioner Navarro said Buono provided a detailed review of the Public Adjuster Licensing (D) Working Group's process and substantive changes to Model #228 during the Producer Licensing (D) Task Force's Oct. 31 meeting. The discussions on the model began in May 2023 when the Producer Licensing (D) Task Force adopted a charge to review and amend Model #228. The Public Adjuster Licensing (D) Working Group adopted the proposed revisions in July 2024 which were then presented to the Producer Licensing (D) Task Force at the Summer National Meeting. He said the Producer Licensing (D) Task Force deferred the adoption of the model to receive additional comments due to industry concerns about the compensation fee caps of 10% for catastrophic claims and 15% for all other claims.

Steve McCaffrey (American Association of Public Insurance Adjusters—AAPIA) said the AAPIA is concerned with the fee caps being proposed. McCaffrey said 70% of states do not allow parties to negotiate their fees for non-catastrophic losses and that the system has worked well for consumers. McCaffery said the optional language regarding fees set forth in the current model is fair to the industry, maintains consumer choice, and should not be changed to the proposed language with specific fee cap percentages of 10% for catastrophic claims and 15% for all other claims.

Draft Pending Adoption

Commissioner Navarro said the issue of fee caps has been discussed and that each state will determine what amendments to the model will be implemented. Commissioner Navarro made a motion, seconded by Commissioner Clark, to adopt the proposed amendments to the model. The motion passed with Alaska, Idaho, and Ohio abstaining and Texas voting no.

3. Discussed the Draft 1033 Waiver Template

Director Deiter said a small group of regulators is continuing to review the comments on the proposed template. The group has recognized a person must seek written consent from their home state and that non-residents should not have to apply for a 1033 waiver. At the same time, the template recognizes there could be situations where a nonresident may seek a 1033 waiver, such as when the person's home state does not, as a matter of regulatory policy, issue any waivers or when a state limits the scope of its waivers to activities within its jurisdictions.

Director Deiter said the definition of "conviction" is consistent with the definition used on the NAIC's Uniform Licensing Applications. The following statement is now a drafting note: "States may include in the definition of conviction a plea in abeyance, a diversion, or an expunged conviction."

Ferguson said California is not able to support the draft 1033 waiver template as it is currently written. California has always interpreted 18 USC §1033 to require the consent of the individual state's commissioner (or equivalent) for consent to "engage in the business of insurance" in that state. Ferguson said §1033 says, "(2) A person described in paragraph (1)(A) may engage in the business of insurance or participate in such business if such person has the written consent of any insurance regulatory official authorized to regulate the insurer, which consent specifically refers to this subsection."

Ferguson said the only official "authorized to regulate the insurer" in California is the California Insurance Commissioner. Ferguson said the current suggested revision, which states nonresidents do not need 1033 consent, would strip the commissioner of the discretion provided by 18 USC §1033. Ferguson said it is also problematic to say an elected official is bound by a decision of a regulator of a different state.

Ferguson said states are not consistent in what they consider 1033 crimes and how they grant or deny 1033 consents. Ferguson said California cannot support in favor of a proposal that takes away the regulatory authority of the California Insurance Commissioner.

4. Adopted the Reports of its Working Groups

A. Adjuster Licensing (D) Working Group

Chester said the Working Group met Nov. 6 (Attachment Two) and held an informal planning call on Sept. 11. During these meetings, the Working Group discussed the review of Chapter 18—Adjusters of the *State Licensing Handbook*. Chester said the Working Group is discussing the adjuster-designated home state data, which states are sending to the State Producer Licensing Database. Chester said a survey was conducted, and 29 of the 34 jurisdictions that license independent adjusters indicated that additional front-end validation of an adjuster's designated home state would be beneficial. Chester said 26 jurisdictions confirmed they are reporting their own two-digit state code in the designated home state field. Chester said she is discussing potential next steps with the National Insurance Producer Registry (NIPR) on whether this is a technology solution that could assist states in validating an applicant's designated home state.

Draft Pending Adoption

B. Producer Licensing Uniformity (D) Working Group

Khodabakhsh said the Working Group met Nov. 7 (Attachment Three) and Sept. 10 (Attachment Four) and discussed the review of the *State Licensing Handbook*. The Working Group has determined that approximately 14 chapters need to be reviewed and potentially revised. Khodabakhsh said NIPR staff recently sent out commissioner dashboards to all state licensing directors, providing a snapshot of where specific states stand in terms of uniformity with other states. Additionally, NAIC staff sent an Excel spreadsheet of the NAIC Uniform Licensing Standards requesting each state to self-report compliance with these standards. This information will help set a roadmap or direction for the Working Group's priorities in 2025.

C. Uniform Education (D) Working Group

Tozer said the Working Group met Nov. 13 (Attachment Five), Oct. 29 (Attachment Six), and Oct. 9 (Attachment Seven). Tozer said the Working Group adopted continuing education (CE) audit guidelines during its Oct. 29 meeting. Tozer said the goal is for each state to audit courses for its home state providers, avoiding duplicative efforts, and increasing the number of providers' courses that are audited annually. Tozer said the Working Group also discussed encouraging states to share their audit findings with other states and is looking for a mechanism to share this information among regulators.

Tozer said the Working Group is conducting a survey regarding exam pass rates, and it is reviewing the following chapters in the *State Licensing Handbook* for possible revision: Chapter 6 (Pre-Licensing Education), Chapter 8 (Testing Programs), and Chapter 14 (Continuing Education).

Commissioner Clark made a motion, seconded by Commissioner Navarro, to adopt the reports of the Adjuster Licensing (D) Working Group, Producer Licensing Uniformity (D) Working Group, and the Uniform Education (D) Working Group, including the adoption of the CE audit procedures. The motion passed unanimously.

5. Received a Report from NIPR

Director Deiter said NIPR 2024 revenue for 2024 is \$61.76 million, which is 8.7% over budget. Laurie Wolf (NIPR) said NIPR continues to expand its services to allow electronic solutions for the state and industry to process additional licensee updates including name changes and designated responsible licensed producer (DRLP) changes. To date, NIPR has implemented 26 states for name changes and 21 states for DRLP changes. States using these products are seeing a significant reduction in back-office processing time and effort. Additionally, NIPR continues to implement contact change requests for business entities, and 36 states are using this product.

Wolf said NIPR will offer producer licensing zone training, funded by NIPR and in collaboration with the NAIC, during 2025. This program is a unique opportunity to delve into the intricacies of producer licensing practices, tackle current and emerging industry issues, and foster peer regulator dialogue. The training program will cover producer licensing practices and current and emerging industry issues and encourage dialogue among the state licensing peer regulators.

Wolf said NIPR now serves all 50 states, the District of Columbia, Guam, Puerto Rico, and the U.S. Virgin Islands and is scaling its state team to improve services. Wolf said regulators can expect an expanded team of state relationship account managers and trained state account analysts who will provide a consistent point of contact and streamlined request handling.

Having no further business, the Producer Licensing (D) Task Force adjourned.

[SharePoint/NAIC Support Staff Hub/Committees/D CMTE/...](#)

Draft: 11/12/24

Producer Licensing (D) Task Force
Virtual Meeting
October 31, 2024

The Producer Licensing (D) Task Force met Oct. 31, 2024. The following Task Force members participated: Larry D. Deiter, Chair (SD); Glen Mulready, Vice Chair, represented by Erin Wainner and Courtney Khodabakhsh (OK); Lori K. Wing-Heier represented by Kayla Erickson (AK); Mark Fowler represented by Antwionne Dunklin and Jimmy Gunn (AL); Ricardo Lara represented by Charlene Ferguson (CA); Doug Ommen (IA); Holly W. Lamber represented by Samantha Aldridge (IN); Sharon P. Clark (KY); Timothy J. Temple represented by Lorie Gasior (LA); Marie Grant represented by Lorelei Brillante (MD); Chlora Lindley-Myers represented by Jo LeDuc (MO); Mike Chaney represented by Vanessa Miller (MS); Eric Dunning represented by Martin Swanson (NE); D.J. Bettencourt represented by Joan LaCourse (NH); Mike Causey represented by Angela Hatchell (NC); Alice T. Kane represented by Victoria Baca (NM); Jon Godfread represented by Janelle Middlestead (ND); Judith L. French represented by Lindsey Jones (OH); Michael Humphreys represented by David Buono (PA); Elizabeth Kelleher Dwyer represented by Rachel Chester (RI); Cassie Brown represented by Matt Tapp (TX); Jon Pike represented by Randy Overstreet (UT); Scott A. White represented by Richard Tozer (VA); Mike Kreidler represented by Jeff Boughman (WA); Allan L. McVey represented by Robert Grishaber (WV); and Nathan Houdek represented by Melody Esquivel (WI).

1. Adopted its Summer National Meeting Minutes

Baughman made a motion, seconded by Ferguson, to adopt the Task Force's Aug. 13 minutes (*see NAIC Proceedings – Summer 2024, Producer Licensing (C) Task Force*). The motion passed unanimously.

2. Adopted its 2025 Proposed Charges

Director Deiter said the one substantive change between the Task Force's 2025 proposed charges and its 2024 charges is the elimination of the Public Adjuster Licensing (D) Working Group since the Working Group provided its suggested revisions to the *Public Adjuster Licensing Model Act (#228)* during the Summer National Meeting.

Commissioner Clark made a motion, seconded by Tozer, to adopt the Task Force's 2025 proposed charges. The motion passed unanimously.

3. Adopted Amendments to the NAIC's Uniform Licensing Applications

Director Deiter said the Producer Licensing Uniformity (D) Working Group completed its review and adoption of proposed changes to the Individual Uniform Application on May 7 and then adopted proposed changes to the Individual Renewal Uniform Application, the Business Entity Application, and Business Entity Renewal Application on June 4. During the Summer National Meeting, the National Insurance Producer Registry (NIPR) reported the proposed amendments will require between 4,122 and 10,715 hours of work. Based on prioritization of existing projects, work on amending the Uniform Producer Licensing Application would begin in October 2025. NIPR estimates development would be completed by February 2026, and implementation into production would be scheduled between March 2026 and May 2026.

Director Deiter said a request for comments was circulated after the Summer National Meeting on the proposed amendments and the timeline for implementation. He said formatting and grammatical edits from Ohio were submitted, and no other comments were submitted on the proposed amendments and timeline for

implementation. Tim Mullen (NAIC) said the technical and grammatical edits submitted by Ohio will be addressed during implementation.

Ferguson made a motion, seconded by Miller, to adopt the proposed changes to the Uniform Licensing Application. The motion passed unanimously.

4. Discussed Proposed Amendments to Model #228

Buono said the NAIC's efforts to address certain market practices of public adjusters began in May 2023 when the Producer Licensing (D) Task Force adopted a new charge to review and amend the *Public Adjuster Licensing Model Act* (#228). In fall 2023, draft revisions to the model were circulated for comment, and the Public Adjuster Licensing (D) Working Group was appointed in 2024 to provide additional focus on amending the model.

Following the circulation of the draft revisions, the receipt of an initial round of comments, and appointment of the new Working Group, Buono said the NAIC Membership adopted a Request for NAIC Model Law Development at the 2024 Spring National Meeting. The request provided guidance that Model #228 should be amended to strengthen regulatory standards governing the conduct of public adjusters for the following four issues: 1) individuals acting as unlicensed public adjusters; 2) contractors who are also acting as public adjusters on the same claim; 3) inappropriate assignment of benefit rights; and 4) excessive fees charged by public adjusters.

Buono said the Working Group requested additional comments and met April 5. After that meeting, Buono said another request for comments was circulated, and the Working Group met May 2, June 18, and July 17. During its May 2 meeting, the Working Group focused on proposed modifications to Section 3 and Section 14, which address public adjuster fees. During its June 18 meeting, the Working Group focused on proposed amendments to Section 15, Section 16, and Section 19 to strengthen regulatory standards regarding individuals acting as unlicensed public adjusters; contractors who are also acting as public adjusters on the same claim; and inappropriate assignment of benefit rights. Buono said the Working Group issued a revised draft after its June 18 meeting and unanimously adopted the proposed revisions to the model during its July 17 meeting.

Buono said the Working Group adopted the following revisions:

- The purpose and scope of the model is being amended to exclude public adjusters settling claims for either personal or commercial auto lines of insurance.
- Section 3.A was amended to prohibit a person from soliciting or negotiating a contract for public adjusting services unless the person is licensed as a public adjuster.
- Section 14 was amended to provide specific guidance that a public adjuster shall not charge more than 10% for any catastrophic claim settlement and no more than 15% for any insurance claim settlement.
- Section 15.H was amended to require an insurer to verify a public adjuster holds a valid license with the department of insurance (DOI).
- Section 15.L is a new section addressing the inappropriate assignment of benefits. This section specifies that the rights under an insurance policy may only be assigned to a person who has the legal authority to represent the named insured or to a subsequent owner of the property. It also prohibits assignment of rights and benefits to any other person, including a property repair contractor.
- Section 16 is a new section that clarifies that a person who conducts business as a public adjuster without a proper license is committing a fraudulent insurance act.
- There are two new subsections added to Section 19. The first amendment prohibits a public adjuster from inferring that damage has occurred unless an inspection has been completed. The second amendment prohibits a public adjuster from paying an insured's deductible or claiming the insured's deductible will be waived.

- Section 19.F was amended to prohibit a public adjuster from having a financial interest in any aspect of a claim, other than the salary or fee for public adjusting services.
- Section 19.H was amended to prohibit a public adjuster from referring the insured to get needed repairs from any person with whom the public adjuster has a financial interest. A public adjuster is also prohibited from receiving compensation for any referral for repairs. With the amendments to Section 19.H, Section 19.G was deleted.

Tozer suggested adding a drafting note to Section 14 of the model, which addresses public adjuster fees. He said most states do not require or have a cap on fees for non-catastrophic claims. Tozer said a drafting note could set forth that a state could choose its own fee cap percentage or not impose a fee cap.

Holly Soffer (American Association of Public Insurance Adjusters—AAPIA) raised concerns about the fee caps and advertising restrictions. Soffer said most states do not impose any sort of cap or restriction on public adjuster fees and that fee caps vary in those states that do impose fee caps. She said the model should keep the section on fee caps and public adjuster fees as options for states to consider. Soffer said that the language on the advertising in Section 16 is unintentionally overly broad and will restrict communications from public adjusters.

Anthony DiUlio (Mid Atlantic Association of Public Insurance Adjusters—MAPIA) said he supports the removal of fee caps and raised concerns about the contractor interest provision and the prohibition of public adjusters referring a consumer to a reputable company for repairs. He said a fee cap will hurt consumers who are seeking assistance from public adjusters on smaller value claims. DiUlio said that the provision on fee caps should be optional if the Task Force believes the provisions on fee caps should be included in the model.

Nancy Dominguez (Florida Association of Public Insurance Adjusters—FAPIA) said consumers with smaller value claims are usually the most vulnerable due to a lack of knowledge about insurance, and they will be harmed if they are not able to access the services of public adjusters due to a fee cap. Ann Frohman (National Association of Public Insurance Adjusters—NAPIA) said NAPIA supports the revisions to the model and said NAPIA would support a drafting note regarding fee caps to recognize different state marketplaces if adding a drafting note would advance the model and other consumer protections in the model.

Wes Bissett (Independent Insurance Agents and Brokers of America) said the National Council of Insurance Legislators (NCOIL) adopted a public adjuster licensing model act six months ago and had the same fee cap percentages being proposed in the NAIC model. He said NCOIL added a drafting note that said the fee cap percentages are the highest that a state should propose and recognized some states may have lower fee caps. Bissett made several recommendations regarding technical edits, which included the deletion of Subsection 15.D and the deletion of final phrase of Subsection 19.G.

Commissioner Clark said the Public Adjuster Licensing (D) Working Group received the same comments submitted today and considered these comments during its drafting. She said each state can assess the adoption of model act provisions without a drafting note.

5. Discussed the Draft 1033 Waiver Template

Director Deiter reviewed the draft template and said the two most prominent issues for discussion are whether an applicant's resident state is responsible for considering 1033 consent waivers and the definition of conviction. He requested that NAIC staff schedule a meeting with the state insurance regulators who submitted comments on the draft to present a revised draft for the Task Force's consideration during the Fall National Meeting.

Having no further business, the Producer Licensing (D) Task Force adjourned.

[SharePoint/Support Staff Hub/Committees/D CMTE/2024 Fall/PLTF/...](#)

Draft: 11/11/24

Adjuster Licensing (D) Working Group
Virtual Meeting
November 6, 2024

The Adjuster Licensing (D) Working Group of the Producer Licensing (D) Task Force met Nov. 6, 2024. The following Working Group members participated: Rachel Chester, Chair (RI); Lorie Gasior, Vice Chair (LA); Peggy Dunlap (AR); Troy Dickinson (CA); Lee Ellen Webb (KY); Jill Huisken (MI); Vanessa Miller (MS); Vanessa Dejesus (NM); Angela Hatchell (NC); Courtney Khodabakhsh (OK); Jodie Delgado (TX); Randy Overstreet (UT); Richard Tozer (VA); Jeff Baughman (WA); and Lisa Hastings (WY).

1. Discussed Adjuster Licensing Survey

Chester said the Working Group received a Adjuster Licensing survey in August. Chester said she has worked with states to get additional responses. She said the survey is regarding the validations and verification of Designated Home State (DHS) data submitted to the Producer Licensing Database. She said that the survey looks at the application process for applicants that have the option to choose a DHS before completing their application. After the application is completed, jurisdictions can either accept that information or validate/verify that information before accepting or rejecting the application. Chester said the survey will provide information on how states handle the process.

2. Discussed Review of State Licensing Handbook Chapters

Chester said the Working Group has been working on the review of the State Licensing Handbook – Chapter 18 Adjuster Licensing. She said to complete this process the Working Group was asked to review the chapter and submit comments. Chester said the Working Group chair and vice chair reviewed the comments and applied draft revisions. The draft revisions will be circulated to the Working Group members to review. Chester said following the internal review the draft will be distributed for public review.

Having no further business, the Uniform Education (D) Working Group adjourned.

<https://naiconline.sharepoint.com/sites/NAICSupportStaffHub/Member%20Meetings/D%20CMTE/2024%20Fall/PLTF/Working%20Group%20Minutes/ALWG%20Minutes%2011.6.24.docx>

Draft: 11/22/24

Producer Licensing Uniformity (D) Working Group
Virtual Meeting
November 7, 2024

The Producer Licensing Uniformity (D) Working Group of the Producer Licensing (D) Task Force met Nov. 7, 2024. The following Working Group members participated: Courtney Khodabakhsh, Chair (OK); Monicka Richmeier, Vice Chair (KS); Peggy Dunlap (AR); Charlene Ferguson (CA); Lori Thomason (ID); Lorelei Brillante (MD); Jill Huisken (MI); Vanessa Miller (MS); Janelle Middlestead (ND); Tynesia Dorsey (OH); Tony Dorschner (SD); Randy Overstreet (UT); Richard Tozer (VA); Jeff Baughman (WA); and Lisa Hastings (WY).

1. Discussed the *State Licensing Handbook*

Khodabakhsh said the Working Group has been focusing on its charge to review the *State Licensing Handbook*. Khodabakhsh said that after reviewing the Handbook, she and Richmeier confirmed the chapters for review will be Chapters 1, 6–14, 18, 19, 24, 25, and 30. She said Chapter 1—Modern Producer Licensing will be updated with additional information on services provided by the National Insurance Producer Registry (NIPR). The Uniform Education (D) Working Group will review Chapter 6—Prelicensing Education, Chapter 8—Testing Programs, and Chapter 14—Continuing Education. Khodabakhsh said comments were received from California and Virginia to review Chapter 7—Application Review for Initial Licenses. Khodabakhsh said the Adjuster Licensing (D) Working Group is reviewing Chapter 18—Adjuster Licensing.

Khodabakhsh said the Working Group will review the following remaining chapters: Chapter 7—Application Review for Initial Licenses; Chapter 9—Lines of Insurance; Chapter 10—Surplus Lines Producer Licenses; Chapter 11—Appointments; Chapter 12—Business Entity; Chapter 13—Temporary Licenses; Chapter 19—Bail Bonds Agent; Chapter 24—Managing General Agents; Chapter 25—Multiple Employer Welfare Arrangements; and Chapter 30—Viatical and Life Settlement Brokers.

Khodabakhsh said she is asking for volunteers to create a subject matter expert (SME) group to begin the review of the chapters not being reviewed by the other producer licensing working groups. California, Kansas, Louisiana, Oklahoma, Massachusetts, Maine, Michigan, and Rhode Island volunteered to participate in the SME group.

Khodabakhsh said that the Working Group will update the Uniform Licensing Standards (ULS) checklist to assist with the Handbook review and navigate the areas in the Handbook that may be considered low compliance regarding uniformity. She said that NAIC staff will distribute the ULS with a request to update the state compliance chart, which has not been reviewed since 2017. Khodabakhsh said the Working Group will review the results during its December conference call.

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

<https://naiconline.sharepoint.com/sites/NAICSupportStaffHub/Member%20Meetings/D%20CMTE/2024%20Fall/PLTF/Working%20Group%20Minutes/PLUWG%20Minutes%2011.7.24.docx>

Draft: 10/21/24

Producer Licensing Uniformity (D) Working Group
Virtual Meeting
September 10, 2024

The Producer Licensing Uniformity (D) Working Group of the Producer Licensing (D) Task Force met Sept. 10, 2024. The following Working Group members participated: Courtney Khodabakhsh, Chair (OK); Monicka Richmeier, Vice Chair (KS); Peggy Dunlap (AR); Charlene Ferguson (CA); Lori Thomason (ID); Lorelei Brillante (MD); Jill Huisken (MI); Janelle Middlestead (ND); Vanessa Miller (NM); Tynesia Dorsey (OH); Tony Dorschner (SD); Randy Overstreet (UT); Richard Tozer (VA); Jeff Baughman (WA); and Lisa Hastings (WY).

1. Discussed the *State Licensing Handbook*

Khodabakhsh said the Working Group has been focusing on its charge to review the NAIC *State Licensing Handbook*. To date, the Working Group has discussed the need for potential updates, revisions, and clarifications for various chapters. The Working Group finished a survey to designate which chapters in the handbook need to be reviewed, and based on the results, 15 of the 30 chapters in the handbook need to be reviewed. She reminded the group that the review should identify areas that are incorrect compared to producer licensing statutes and policies.

Khodabakhsh said Chapter 1—Modern Producer Licensing, will be updated with additional information on services provided by the National Insurance Producer Registry (NIPR). The Uniform Education (D) Working Group will review Chapter 6—Prelicensing Education, Chapter 8—Testing Programs, and Chapter 14—Continuing Education. Comments from California and Virginia requested the review of Chapter 7—Application Review for Initial Licenses. Chapter 18—Adjuster Licensing is currently being reviewed by the Adjuster Licensing (D) Working Group.

Khodabakhsh said the remaining chapters in the handbook will be reviewed by this Working Group, including Chapter 7—Application Review for Initial Licenses, Chapter 9—Lines of Insurance, Chapter 10—Surplus Lines Producer Licenses, Chapter 11—Appointments, Chapter 12—Business Entity, Chapter 13—Temporary Licenses, Chapter 19—Bail Bonds Agent, Chapter 24—Managing General Agents, Chapter 25—Multiple Employer Welfare Arrangements, and Chapter 30—Viatical and Life Settlement Brokers.

Khodabakhsh said the Working Group received input to clarify the criminal history information for 1033 waivers. The Producer Licensing (D) Task Force is currently reviewing the 1033 waiver process, and no updates can be made until the Task Force has completed the review process.

The Working Group discussed areas of the handbook that should be expanded to include other license qualifications, such as adjusters and bail agents. Khodabakhsh said there were suggestions that some license classes and lines of authority are state-specific. She said the general consensus is that the handbook should include information on non-core limited lines licenses and their flexibility for states. The Working Group discussed whether it will be necessary to expand the section on limited lines licenses.

Khodabakhsh said other suggestions include the need to clarify which individuals need to be licensed as surplus lines brokers and confusion concerning appointments and termination of aging appointments. Khodabakhsh said there is a request to expand on best practices for issuing temporary licenses, including broader provisions for commissioner discretion. Temporary producer licenses are specific to resident temporary licenses and should not be issued as non-resident licenses. Lastly, Khodabakhsh said there is a suggestion to add new chapters about pharmacy benefit managers (PBMs).

Khodabakhsh said she would review all the comments with Richmeier and NAIC staff to determine the most efficient way to review the chapters.

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

<https://naiconline.sharepoint.com/sites/NAICSupportStaffHub/Member%20Meetings/D%20CMTE/2024%20Fall/PLTF/Working%20Group%20Minutes/PLUWG%20Minutes%209.10.24.docx>

Draft: 11/22/24

Uniform Education (D) Working Group
Virtual Meeting
November 13, 2024

The Uniform Education (D) Working Group of the Producer Licensing (D) Task Force met Nov. 13, 2024. The following Working Group members participated: Richard Tozer, Chair (VA); Lorelei Brillante, Vice Chair (MD); Peggy Dunlap (AR); Charlene Ferguson (CA); Vanessa Miller (MS); Victoria Baca (NM); Lindsey Jones (OH); Courtney Khodabakhsh (OK); Rachel Chester (RI); Jodie Delgado (TX); and Jeff Baughman (WA).

1. Discussed its Review of the *State Licensing Handbook*

Tozer said the Working Group has been asked to review chapters of the *State Licensing Handbook* relevant to uniform education. This includes Chapter 6—Prelicensing Education, Chapter 8—Testing Programs, and Chapter 14—Continuing Education. Tozer asked that the Working Group start by reviewing Chapter 6. Tozer said the Working Group will review any comments received during its Dec. 3 meeting. Tozer said the Working Group will continue this work into 2025 to finalize its review and provide suggestions to the Producer Licensing Uniformity (D) Working Group before the 2025 Spring National Meeting.

Having no further business, the Uniform Education (D) Working Group adjourned.

<https://naiconline.sharepoint.com/sites/NAICSupportStaffHub/Member%20Meetings/D%20CMTE/2024%20Fall/PLTF/Working%20Group%20Minutes/UEWG%20Minutes%2011.13.24.docx>

Draft: 11/7/24

Uniform Education (D) Working Group
Virtual Meeting
October 29, 2024

The Uniform Education (D) Working Group of the Producer Licensing (D) Task Force met Oct. 29, 2024. The following Working Group members participated: Richard Tozer, Chair (VA); Lorelei Brilliante, Vice Chair (MD); Peggy Dunlap (AR); Charlene Ferguson (CA); Vanessa Miller (MS); Victoria Baca (NM); Lindsey Jones (OH); Courtney Khodabakhsh (OK); Rachel Chester (RI); Jodie Delgado (TX); and Jeff Baughman (WA).

1. Adopted the CE Audit Guidelines/Procedures

Tozer said the Working Group has been continuing to work on the creation of the continuing education (CE) audit guidelines/procedures. Tozer said the Working Group has reviewed the comments received on the draft, and the Working Group has agreed to edits in order to finalize the draft.

Tozer reviewed all edits advising that some states had responses to times and percentages, but the final decision was to make them optional and determined by the state. He said there was discussion on whether partial course audits should be allowed, with some states expressing support for spot checks. The Working Group discussed and agreed unanimously that the edits are complete.

Brilliante made a motion, seconded by Miller, to adopt the NAIC CE audit guidelines. The motion passed unanimously.

2. Discussed Review of *State Licensing Handbook* Chapters

Tozer said the Working Group has been asked to review the chapters of the *State Licensing Handbook* that are relevant to uniform education. This includes Chapter 6—Prelicensing Education, Chapter 8—Testing Programs, and Chapter 14—Continuing Education. Tozer asked that the Working Group start by reviewing Chapter 6—Prelicensing. Tozer said the Working Group will review any comments received during its Nov. 13 meeting.

Having no further business, the Uniform Education (D) Working Group adjourned.

<https://naiconline.sharepoint.com/sites/NAICSupportStaffHub/Member%20Meetings/D%20CMTE/2024%20Fall/PLTF/Working%20Group%20Minutes/UEWG%20Minutes%2010.29.24.docx>

Draft: 10/21/24

Uniform Education (D) Working Group
Virtual Meeting
October 9, 2024

The Uniform Education (D) Working Group of the Producer Licensing (D) Task Force met Oct. 9, 2024. The following Working Group members participated: Richard Tozer, Chair (VA); Lorelei Brilliante, Vice Chair (MD); Peggy Dunlap (AR); Charlene Ferguson (CA); Vanessa Miller (MS); Victoria Baca (NM); Lindsey Jones (OH); Courtney Khodabakhsh (OK); Rachel Chester (RI); Jodie Delgado (TX); and Jeff Baughman (WA).

1. Discussed CE Audit Guidelines/Procedures

Tozer said the Working Group has been continuing to work on the creation of the continuing education (CE) audit guidelines/procedures. The Working Group exposed the draft guidelines/procedures and is accepting any suggestions. Tozer said the Working Group has reviewed the comments originally received on the draft, and they will review the changes considered at this meeting.

Tozer said that during previous meetings, the Working Group discussed potential changes to the guidelines/procedures, including allowing states to determine the percentage of courses to be audited and the frequency of audits. Tozer said there were comments submitted that address whether audits should be announced or unannounced and the possibility of coordinating efforts among states to avoid duplicating audits. Tozer said the Working Group discussed whether they should consider creating a new type of communication process whether through the bulletin board or distribution list for communication, potentially using the NAIC Connect application. He said there has been discussion about the need for guidelines on the use of shared audit information and potential actions that are a result of the audit findings.

The Working Group discussed all the changes, and Tozer said the draft would be exposed again and posted on the Working Group web page for final review. The Working Group will discuss a potential adoption of the draft during its Oct. 29, 2024, meeting.

2. Discussed Guidelines for Course Introduction Statements

Tozer said the Working Group has also discussed guidelines for course introduction statements in previous meetings. The Working Group then discussed which states provide introductory statements. Tozer said that he has worked with Brilliante and NAIC support staff on creating a survey to collect information concerning state auditing for continuing education. Tozer said the survey will be distributed after this meeting for the Working Group to complete prior to its Oct. 29 meeting.

3. Discussed Review of *State Licensing Handbook* Chapters

Tozer said Khodabakhsh, chair of the Producer Licensing Uniformity (D) Working Group, has asked this Working Group to review the chapters of the *State Licensing Handbook* that are relevant to uniform education. The chapters for this Working Group to review will be distributed and posted on the Working Group web page.

Having no further business, the Uniform Education (D) Working Group adjourned.

SharePoint/Support Staff Hub/Meetings/D CMTE/2024 Fall/PLTF/Uniform Education WG/Minutes/UEWG Minutes 10.9.24.docx