Draft: 3/10/26

Producer Licensing (D) Task Force
Virtual Meeting
February 25, 2026

The Producer Licensing (D) Task Force met Feb. 25, 2026. The following Task Force members participated: Vicki Schmidt, Chair, represented by Monicka Richmeier (KS); Scott A. White, Vice Chair, represented by Richard Tozer (VA); Heather Carpenter represented by Kayla Erickson (AK); Ricardo Lara represented by Charlene Ferguson (CA); Michael Conway represented by Rolf Kaumann (CO); Karima M. Woods represented by Sheila Parker-Johnson (DC); Doug Ommen (IA); Dean L. Cameron (ID); Ann Gillespie represented by Justin Hammersmith (IL); Timothy J. Temple represented by Lorie Gasior (LA); Marie Grant represented by Lorelei Brillante (MD); Robert L. Carey represented by Timothy N. Schott (ME); Anita G. Fox represented by Michele Riddering (MI); Grace Arnold represented by Sarah J. Adam (MN); Angela L. Nelson represented by Marjorie Thompson (MO); Mike Chaney represented by Vanessa C. Miller (MS); Jon Godfread represented by Robyn Krile (ND); Eric Dunning and Kevin Schlautman (NE); Alice T. Kane represented by Lillian Baros (NM); Judith L. French represented by Chrstina Reeg (OH); Glen Mulready represented by Erin Wainner and Courtney Khodabakhsh (OK); TK Keen represented by John Haworth (OR); Elizabeth Kelleher Dwyer represented by Rachel Chester and Matthew Gendron (RI); Larry D. Deiter represented by Tony Dorschner (SD); Amanda Crawford represented by Jodie Delgado (TX); Patty Kuderer represented by Andrew Davis (WA); Nathan Houdek represented by Melody Esquivel (WI); and Allan L. McVey represented Robert Grishaber (WV).

1. Heard Opening Remarks

Richmeier welcomed everyone to the Task Force's first meeting of 2026 and said she would be representing Commissioner Schmidt this year. Tozer said he would be representing Commissioner White this year. Richmeier thanked Director Deiter and Commissioner Sharon P. Clark (KY) for their prior leadership of the Task Force.

Richmeier said Chester will chair the Adjuster Licensing (D) Working Group, and Gasior will serve as vice chair. Richmeier said Schlautman will chair the Producer Licensing Uniformity (D) Working Group, and Jill Huisken (MI) will serve as vice chair. Richmeier said Delgado will chair the Uniform Education (D) Working Group, and Erickson will serve as vice chair.

2. Adopted its 2025 Fall National Meeting Minutes

Chester made a motion, seconded by Miller, to adopt the Task Force's Dec. 10, 2025, minutes (*see NAIC Proceedings – Fall 2025, Producer Licensing (D) Task Force*). The motion passed unanimously.

3. Discussed its 2026 Priorities

Tozer said one of the Task Force's 2026 priorities is to finalize the 1033 waiver template. Tozer said the Task Force adopted the template at the 2025 Summer National Meeting, but it was returned to the Task Force for further review due to industry's concerns about differences in state definitions of "conviction."

Schlautman said the Producer Licensing Uniformity (D) Working Group will finalize its review of the *State Licensing Handbook* and its survey of states regarding compliance with the NAIC licensing uniformity and reciprocity standards.

Richmeier said the Task Force will collaborate with its working groups to evaluate the security of remote licensing examinations.

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Delgado said the Uniform Education (D) Working Group will review and, as necessary, update the continuing education (CE) course guidelines related to webinar delivery.

Chester said the Adjuster Licensing (D) Working Group will continue its review of the use of Designated Home State (DHS) and states reporting DHS data to the State Producer Licensing Database (SPLD). Chester said the Working Group will address how to prevent adjuster licensing applicants from forum shopping when selecting a DHS. Chester said the Working Group will review state-specific adjuster qualification questions and work toward creating greater uniformity across states.

Richmeier said the Task Force will review state processes and forms used for appointment terminations for cause, with the goal of improving uniformity and efficiency where possible.

4. Discussed NAIC Website Updates and Enhancements

Tim Mullen (NAIC) said he is seeking feedback on how to improve the communication and accessibility of producer licensing materials on the NAIC website. Mullen said that while many adopted documents are available online, they can be difficult to locate. The goal is to make information more accessible to regulators, industry, and other stakeholders.

5. Discussed its Meeting Schedule

Richmeier reviewed upcoming meeting dates and said the Task Force and its working groups will hold monthly meetings. Richmeier said she aims to increase collaboration among state licensing directors, noting changes in states and the value of building stronger communication networks.

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

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Adopted by the Producer Licensing (D) Task Force, Aug. 12, 2025

Template for 1033 Written Consent Process

Suggestion on How to Make the 1033 Written Consent Process Effective and Efficient

1. Introduction

A. Federal law provides penalties for a person who: (a) has been convicted of a felony involving dishonesty or breach of trust; and (b) willfully engages in the business of insurance affecting interstate commerce, unless the person receives written consent from the state insurance regulatory official with appropriate jurisdiction. See, Violent Crime Control and Law Enforcement Act of 1994, 18 U.S.C. §§1033 and 1034.

B. A person who has not obtained written consent and who has been convicted of a felony involving dishonesty or breach of trust is a "prohibited person." A prohibited person who engages in the business of insurance faces possible federal criminal and civil action.

C. Federal law also penalizes those in the insurance industry who willfully allow prohibited persons to engage in the business of insurance. They must notify the [Insert Jurisdiction Insurance Department] ("the Department") in writing of an employee or agent who is a prohibited person. Insurance entities that already employ a prohibited person who does not have a written consent shall take the necessary steps to have the individual apply for a 1033 written consent.

Drafting note: Any state that has enacted the NAIC *Insurance Fraud Prevention Model Act* (#680) should be aware that Subsection 3.C (1) of the model states, "A person convicted of a felony involving dishonesty or breach of trust shall not participate in the business of insurance."

Drafting note: The term "waiver" as used in this document refers to the process of a prohibited person seeking a "written consent." The term "written consent" as used in this document refers to the state insurance regulatory official with appropriate jurisdiction allowing a prohibited person to engage in the business of insurance.

2. A Prohibited Person Must Seek Written Consent

A. A prohibited person must seek written consent in their Home State prior to engaging in the business of insurance. The process for obtaining written consent is set forth in this document. The process shall be made available to a person with a qualifying felony conviction seeking an insurance license or who wishes to be employed in the business of insurance in a non-licensed capacity in [Insert Jurisdiction]. Nonresident prohibited person applicants may not have to apply for 1033 written consent if they have received 1033 written consent in their Home State. States may require a nonresident prohibited person to apply for 1033 written consent if: (a) the Home State did not require 1033 written consent; or (b) when the Home State does not issue 1033 written consents on the same basis. The [Insert Jurisdiction Insurance Department] may require the prohibited person to release any information the [Insert Jurisdiction Insurance Department] may request as part of the investigation, including but not limited to, records of former employment, state and federal tax returns, business records, and banking records.

3. Definition of Relevant Terms

A. Breach of trust: A wrongful act, use, misappropriation, or omission with respect to any property or fund which has been committed to a person in an official fiduciary capacity or some other relationship based on trust; or

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the misuse of one's official fiduciary, or other position based on trust, to engage in a wrongful act, use, misappropriation, or omission. (For example, a fiduciary relationship is present in a lawyer/client relationship, physician/patient relationship, or caregiver/elder adult relationship.)

B. Business of insurance: The writing of insurance, adjusting claims, or the reinsuring of risks, by an insurer, including all acts necessary or incidental to such writing or reinsuring and the activities of persons who act as, or are, officers, directors, agents, or other licensed or unlicensed employees of insurers or who are other persons authorized to act on behalf of such persons, otherwise required under 18 U.S.C. § 1033.

C. Conviction: Includes but is not limited to having been found guilty by verdict of a judge or jury, having entered a plea of guilty or nolo contendere or no contest, or having been sentenced to probation, a suspended sentence, or a fine.

Drafting note: States should not consider for written consent a person who has successfully completed deferred adjudication and has not been convicted of a qualifying felony. States may include in the definition of "Conviction" a plea in abeyance, a diversion, a sealed, or an expunged conviction.

D. Dishonesty: To directly or indirectly cheat or defraud; to cheat or defraud for monetary gain or its equivalent; or to wrongfully take property belonging to another in violation of any criminal statute. Dishonesty includes acts involving lack of integrity, lack of probity, or a disposition to distort, cheat, or act deceitfully or fraudulently, and may include crimes which federal, state, or local laws define as dishonest. Common definitions for dishonesty include: lie, cheat, deceive, defraud; untrustworthiness; lack of integrity, honesty, fairness, etc.

E. Felony: An offense that is specifically classified as such in [insert appropriate reference to state law]. If there is no classification, an offense is a felony if the maximum term of imprisonment authorized is more than one year, or if the maximum penalty is death.

Drafting note: The definition of "felony" varies according to state law.

Drafting note: Attachment C of the NAIC *Guidelines for State Insurance Regulators to the Violent Crime Control and Law Enforcement Act of 1994* provides guidance for evaluating which felonies involve "Dishonesty or Breach of Trust."

4. Applying for Written Consent (This section is not applicable in jurisdictions that incorporate the 1033 written consent process into the producer licensing process and do not require a separate Application for Written Consent.)

A. Each prohibited person seeking written consent must submit a completed Application for Written Consent to Engage in the Business of Insurance ("Application") addressed to [Insert Individual Name to Review Request]. An Application shall be electronically submitted to [Insert Jurisdiction Email Address].

B. A prohibited person has the responsibility to read the Application in its entirety and answer every question completely and accurately. Failure to complete the Application or submit any requested documentation may result in the denial [or dismissal] of the Application. An amendment to the Application must be filed upon the occurrence of any event, discovery, or recollection of any fact that would change any answer on the Application, and a copy of that amendment must be sent to other states where written consent was granted.

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Failure to file a timely amendment may result in the denial of written consent or withdrawal of previously granted written consent.

5. Process For Granting or Denying an Application

A. Each jurisdiction will establish a process for the receipt and review of an Application. This may include incorporating the 1033 written consent process into the process a jurisdiction uses to issue an insurance license.
B. Notification of 1033 waiver application availability should be clearly presented prior to or during the licensing application process.
C. A jurisdiction's process for review of a 1033 waiver application should be provided to an applicant at the time of submission.
D. A jurisdiction should submit its final decision to grant or deny a 1033 waiver to the NAIC's 1033 State Decision Repository.

6. Standard by Which an Application Is Evaluated

A. An Application provides a prohibited person with the opportunity to demonstrate that, notwithstanding the conviction(s), they are trustworthy to engage or participate in the business of insurance. A prohibited person has the burden of satisfying this standard. Factors that may be considered by the Commissioner may be determined by each jurisdiction's rules, and may include, but are not limited to, the following:
   i. The nature and severity of the offense and sentence.
   ii. The date of conviction(s).
   iii. The age at the time of committing the crime(s).
   iv. The nature and extent of injury and/or loss caused by the act for which the prohibited person was convicted.
   v. Unpaid judgment(s).
   vi. Whether the crime was related to the business of insurance or the exercise of any professional or other license or authority conferred by a federal, state, or local governmental agency.
   vii. Whether the prohibited person received an expungement or pardon from the sovereign that convicted him or her, and the reason for it.
   viii. Whether the prohibited person successfully completed parole or probation without incident and all court requirements, including, but not limited to, completion of community service, court-ordered treatment, payment of all fines, penalties, or other assessments.
   ix. Any aggravating or mitigating factors.
   x. Whether other jurisdictions have granted or denied an 18 U.S.C. § 1033 written consent.
   xi. The nature and strength of any letters of recommendation and other evidence of rehabilitation.
   xii. The prohibited person's employment history before and after the commission of the crime(s).
   xiii. the nature of any consumer complaints in the Department's possession or reported by the prohibited person.
   xiv. Whether and to what extent the prohibited person has made materially false statements in any license application or in any other documents filed with the Department.
   xv. The prohibited person's proposed type of employment in the insurance industry.
   xvi. The extent to which the prohibited person will be supervised in that employment.
   xvii. Whether and to what extent the prohibited person has made materially false statements in any application or in other documents filed with any other state or federal agency.
   xviii. Whether the prohibited person has had any professional license revoked or suspended by any state or federal agency.

xix. Whether the prohibited person's civil rights have been restored.
xx. Whether the prohibited person has a pattern of unlawful activity.
xxi. The extent to which an insurance license offers opportunity to engage in further criminal activity.
xxii. The level of cooperativeness of the prohibited person during the application process.

7. Conditions of Written Consent

A. An Application granted by the Commissioner is conditioned on the truth of the documents and information submitted by or on behalf of the prohibited person. If a prohibited person has made materially false or misleading statements, has presented materially false or misleading information, or has failed to disclose material information, that may constitute a separate violation of law.

B. A person whose Application is granted has the Commissioner's written consent to engage in the business of insurance according to the terms and conditions of the written consent.

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Adopted by the Producer Licensing (D) Task Force, Aug. 12, 2025

SHORT FORM APPLICATION
FOR WRITTEN CONSENT TO ENGAGE IN THE BUSINESS OF INSURANCE
PURSUANT TO 18 U.S.C. §§ 1033

Notice to Applicant: 18 U.S.C. § 1033 prohibits certain activities by or affecting persons engaged, or proposing to become engaged, in the business of insurance:

(e)(1)(A) **Any individual who has been convicted of any criminal felony involving dishonesty or a breach of trust, or who has been convicted of an offense under this section, and who willfully engages in the business of insurance whose activities affect interstate commerce or participates in such business, shall be fined as provided in this title or imprisoned not more than five (5) years, or both.**

(B) **Any individual who is engaged in the business of insurance whose activities affect interstate commerce and who willfully permits the participation described in subparagraph (A) shall be fined as provided in this title or imprisoned not more than five (5) years, or both.**

(e)(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 regulatory official authorized to regulate the insurer, which written consent specifically refers to this section.**

This Application will be reviewed by the chief insurance regulatory official in this state to determine whether the Applicant should be given written consent to engage in the business of insurance or participate in the business pursuant to 18 U.S.C. § 1033(e)(2).

You must answer every question on the Application. If a question does not apply, indicate N/A in the space provided for the answer. Your answers are not limited to the space provided on the Application. Attach additional pages as needed. The Department of Insurance will not process incomplete Applications. Additional information may be requested.

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PLEASE TYPE

SECTION I - APPLICANT INFORMATION

Full Name of Applicant:

_____

Last Name **First Name** **Middle Name**

Have you ever been known by or used another name, including a maiden name? ☐ **Yes** ☐ **No**

If yes, identify: _____

_____

Home Address:

_____

Street Address **City** **State** **ZIP**

Mailing Address:

_____

P.O. Box or Street Address **City** **State** **ZIP**

Personal Email Address: _____

Home Telephone Number:_____**Work Telephone Number:**

Social Security No._____

Have you ever used or been issued another Social Security number? _____

If so, provide an explanation and previous/other Social Security number(s)

_____

_____

Place and Date of Birth:

_____

(Answer all questions fully and completely. Failure to answer the questions fully will result in delays in the application process. You are not limited to the space below. Attach additional pages if needed.

SECTION II - CRIMINAL HISTORY

1. **List any felony(s) for which you have been convicted. Include details of any negotiated plea agreements and pleas of nolo contendere to an Information or Indictment.**

   Provide a full description of your acts involved in these matters. Include the following:

   A. **Dates of charge**
   B. **Location**
   C. **Nature of offense**
   D. **Detailed written statement explaining the circumstances of each incident**
   E. **Sentence**
   F. **Dates of incarceration**

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G. Dates of probation/parole (if you are currently under probation/parole, include the name and phone number of the person supervising your parole or probation)
H. Restitution ordered/paid
I. Fines/costs ordered/paid
J. Pardons granted
K. Information as to whether your civil and political rights have been restored.

Attach additional pages if needed.

_____

_____

_____

_____

2. Have you ever applied for written consent from an insurance regulatory authority? ☐ Yes ☐ No If yes, provide details below:

State(s): _____

☐ **Granted**
☐ **Denied**
☐ **Other** _____

Please provide details of the outcome of prior or pending applications for written consent:

_____

_____

_____

_____

SECTION III - PRESENT/PROPOSED INSURANCE EMPLOYMENT

1. Please specify the name and address of your current or proposed employer to which the requested written consent will apply.

_____

_____

_____

_____

2. Please describe in detail the office, position, and title to which the requested written consent will apply, and provide a complete description of the activities, duties, and responsibilities. Please attach or describe any proposed or current written or oral agreements, contracts, or understandings with any entity engaged in the business of insurance as defined by 18 U.S.C. § 1033. (If written consent is given, it will be applicable to the activities described herein.) Please include your date of employment or proposed date of employment.

_____

_____

_____

_____

SECTION IV - ATTACHMENTS

Attach the following documents to this Application for written consent. Applications without attachments and applications with incomplete attachments will be returned to the applicant.

1. **Certified copy of the applicant's criminal history.**
2. **Certified copy of the indictment, criminal complaint, docket sheet, or other initiating documents for the charge(s) that is the subject of this Application.**
3. **Certified copy of the order of judgment and sentence of the court for the conviction(s) that is the subject of this Application, including certification of completion and performance of all conditions imposed by the court.**
4. **If applicable, an affidavit or written statement from the individual that seeks to employ you stating in detail the duties and responsibilities that you are performing or are to perform for them and for which you seek written consent and that it is that individual's opinion that the performance of these responsibilities does not constitute a threat to the public.**
5. **If applicable, letters of recommendation.**
6. **If applicable, a letter from the applicant's employer or prospective employer indicating they are aware of the felony conviction.**

Drafting note: Some jurisdictions may not require certified copies of documents.

I,_____(name of applicant), swear under penalty of law that my statements in the attached Application, and the documents appended thereto, are true and correct and complete. I understand that my statements in the Application and the attachments to my Application will be relied upon by the Insurance Commissioner, Director, or Superintendent of Insurance, or other appropriate party, in the jurisdiction for which this application is made in the execution of his or her duties under the Insurance Code, and 18 U.S.C. § 1033, in making a decision on this Application. I understand that if I have made any false statement in this Application, or if there are any false statements included in the attachments to this Application, I may be criminally prosecuted under any state criminal or administrative remedies available and that any insurance license(s) that I currently hold, or for which I have applied, will be subject to suspension or revocation. I further understand that these false statement(s) would also constitute a violation of 18 U.S.C. § 1033. For purposes of this Application, I do not contest the validity of any felony conviction upon which this request would be granted. *By signing this Application, I* grant permission to the Commissioner, Director or Superintendent of Insurance, or other appropriate party in the jurisdiction for which this application is made to verify information with any federal, state or local government agency, current or former employer, or insurance company, to request records of former employment, state and federal tax returns, business records, and banking records *to confirm the information in this Application and I expressly consent and authorize any person, business or agency to release any information the Insurance Department may request as part of the investigation, including but not limited to, records of my former employment, state and federal tax returns, business records, and banking records.*

Signature of Applicant: _____ Date: _____

Drafting note: Some jurisdictions may require applications to be notarized.

STATE OF_____

COUNTY OF_____

Subscribed, sworn to, and acknowledged before me by_____to be his/her free act and deed this____day of_____, 20____.

_____

Notary Public State at Large My Commission Expires:

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Draft: 3/11/26

Attachment Three

Definition of "Conviction" in NAIC Documents

NAIC Uniform Producer Licensing Application

- "Convicted" includes, but is not limited to, having been found guilty by verdict of a judge or jury, having entered a plea of guilty or nolo contendere or no contest, or having been given probation, a suspended sentence, or a fine.
- You may exclude the following misdemeanor convictions or pending misdemeanor charges: traffic citations, driving under the influence (DUI), driving while intoxicated (DWI), driving without a license, reckless driving, or driving with a suspended or revoked license.
- You may also exclude juvenile adjudications (offenses where you were adjudicated delinquent in a juvenile court).

NAIC Guidelines for State Insurance Regulators to the Violent Crime Control and Law Enforcement Act of 1994

"Convicted"

(a) Federal Law. Convicted is defined in federal law at 29 U.S.C. § 504(c)(1) and 29 U.S.C. § 1111(c)(1) and means that a person shall be deemed to have been "convicted" and under the disability of "conviction" from the date of the judgment of the trial court, regardless of whether that judgment remains under appeal. However, it appears that, under federal law, a person who is sentenced to some sort of deferred adjudication status may not be deemed to be "convicted" for purposes of these statutes and, thus, would not be a prohibited person. Although a deferred adjudication arises only after a finding of guilt, the federal judicial system generally views a person in a deferred adjudication status as still under indictment and, thus, not convicted.

(b) State Law. State laws might contain similar definitions for the term "convicted" and may well impose deferred adjudication sentences similar to the federal system. Thus, when determining whether an individual convicted under state law is a prohibited person, one should research the law of the state in which the person was tried, comparing the type of sentence received to the definition for convicted and whether it is affected by any type of deferred adjudication status.

Template for 1033 Written Consent Process

Conviction: Includes but is not limited to having been found guilty by verdict of a judge or jury, having entered a plea of guilty or nolo contendere or no contest, or having been sentenced to probation, a suspended sentence, or a fine.

11/14/2025

Mr. Tim Mullen
Director, Market Regulation
NAIC
1100 Walnut Street, Suite 1000
Kansas City, MO 64106-2197

Re: Request for Comment on 1033 Template Written Consent Process

Mr. Mullen,

In response to your communication sent to the Market Regulation and Consumer Affairs (D) Committee members, interested regulators, and interested parties of the Committee regarding request for comment on 1033 Template Written Consent Process, the American Property Casualty Insurance Association (APCIA) wishes to submit an inquiry, which may be treated as a comment for review purposes if appropriate.

Section 3 of the 103 Template includes a drafting note which reads:

> *Drafting Note: States should not consider for written consent a person who has successfully completed deferred adjudication and has not been convicted of a qualifying felony. States may include in the definition of "Conviction" a plea in abeyance, a diversion, a sealed, or an expunged conviction.*

APCIA wishes to inquire if consideration for differentiation of determination of a "conviction" has been considered between states? Particularly, the inclusion of a sealed or expunged conviction by one state, and not another.

For example, if a person were to seek and be granted licensure in a state that did not include sealed or expunged conviction in that state's definition of "conviction," and that person were then to work in a state that did include sealed or expunged convictions within its definition of "conviction" – how would that person be treated by the second (or non-home) state?

Having looked into this question, we note that Point 3 of the minutes of the August 24, 2024, meeting of the Producer Licensing (D) Task Force (Attached via email for reference.) includes information on discussion of the matter of inclusion of expunged convictions in the definition of "conviction." That discussion refers to the desire to have NAIC staff work with a SME group to issue a revised draft. However,

we have not been able to locate an updated version of the language (unless the circulated copy is a reflection of that discussion.)

> *3. Received Comments on the Draft 1033 Waiver Template ….“This term includes but is not limited to, having been found guilty by verdict of a judge or jury, having entered a plea of guilty or nolo contendere or no contest, or having been given probation, a suspended sentence or a fine.” Director Deiter said there is a separate statement, which is not used on the NAIC Uniform Licensing Applications, that “States may include in the definition of ‘Conviction’ a plea in abeyance, a diversion, or an expunged conviction.” This separate statement was added because there are differences in what states might consider as a “conviction.” Ferguson said the Producer Licensing Uniformity (D) Working Group will review the Handbook for possible revisions, including sections addressing 1033 waivers. Ferguson said she believes the Working Group will defer its review of the section addressing 1033 waivers until the Task Force has completed its work on the 1033 waiver template. Chester said most jurisdictions only require a waiver from home state license applicants. Hearing no further comments, Director Deiter requested that NAIC staff work with a small group of subject matter experts (SMEs) to issue a revised draft within the next 45 days for the Task Force’s review.*

We wish to inquire whether any additional guidance exists regarding how different states’ determinations are to be treated. We also wish to note that insurers, in their review process, may not (and often will not) have access to information that is sealed by courts, such as sealed or expunged convictions.

We are concerned that this may create problems for insurers seeking to do their due diligence, and require unforeseen adjustments due to inconsistencies in the treatment of the definition of “conviction” between the states.

As mentioned above, our primary intent in this response is to bring this matter to your awareness and to find guidance for insurers going forward. If guidance exists which resolves the potential conflict, we acknowledge that this may not rise to the level of a comment for the committee.

APCIA appreciates the opportunity to respond to the request for comments, and we look forward to working with you in the future.

Sincerely,

Michael Richmond-Crum

Michael Richmond-Crum
Senior Director, Personal Lines & Counsel
The American Property Casualty Insurance Association

RICARDO LARA
CALIFORNIA INSURANCE COMMISSIONER

NAIC 2026 Spring National Meeting, San Diego, California
Producer Licensing Task Force Meeting, Monday, March 23, 2026

Agenda Item 4. Discuss the 1033 Template Written Consent Process – Definition of Conviction

California's Perspective on the Template for 1033 Written Consent Process:

At the NAIC 2025 Spring and Summer National Meetings, California's request to keep "if applicable" in Section IV – Attachments and California's request to keep "nolo contendere or no contest" in item 3, Definition of Relevant Terms, subsection "C. Conviction" were approved by the Producer Licensing Task Force (PLTF). The Template for 1033 Written Consent Process was then referred to the Market Regulation and Consumer Affairs (D) Committee (D Committee) for consideration at the NAIC 2025 Fall National Meeting. Based on comments received, the D Committee returned the Template to PLTF.

As California previously mentioned, many 1033 applicants do not have an employer or prospective employer at the time they apply for the written consent. Many are not yet connected with an employer or prospective employer in the insurance industry, but want written consent in order to start their pursuit of an insurance career. The "if applicable" language is a recognition of this fact and allows the regulator to still evaluate and assess the relevant felony conviction, and determine whether 1033 written consent should be granted, notwithstanding the fact that the applicant has yet to connect with an employer or a prospective employer in the insurance industry.

Regarding Item 3, C. Conviction, California believes the 1033 Consent Application Form should continue to ask about convictions based on nolo contendere or no contest pleas involving qualifying convictions. The relevant insurance regulator is able to apply their appropriate state laws or regulations and decide whether it is proper to use the nolo contendere or no-contest pleas even if the court suspends imposition of sentencing or places the defendant into a diversion program. Convictions should be disclosed, whether they are "expunged", "sealed", "dismissed," or some other term. The Commissioner or Director can decide what, if anything, to use those convictions for in light of their relevant state laws.

California has always interpreted 18 USC § 1033 to require California's Insurance Commissioner to grant consent to "engage in the business of insurance" pursuant to the relevant California laws and regulations. California's laws and regulations expressly state that a no-contest plea equals a conviction and can be used in a determination as to whether the granting of consent is proper. In addition, California law specifically states the Department can use a conviction that has been "expunged" or "dismissed" in its determinations. California can, has, and will continue to use convictions based on nolo contender or no contest pleas in its evaluations pursuant to California state law and other regulators should at least have all the relevant information so they may decide the proper course of action in light of their own applicable state law.

With the edits stated above, which were submitted to the Market Regulation and Consumer Affairs (D) Committee at the NAIC 2025 Fall National Meeting, California requests that the PLTF retain the Template for 1033 Written Consent Process as it was submitted to the D Committee at the NAIC 2025 Fall National Meeting.

This concludes California's response.