

Introduction

The National Association of Insurance Commissioners NAIC is the U.S. standard-setting and regulatory support organization created and governed by the chief insurance regulators from the 50 states and five U.S. territories. Through the NAIC, state insurance regulators establish standards and best practices, conduct peer review, and coordinate their regulatory oversight. NAIC staff support these efforts and represent the collective views of state insurance regulators domestically and internationally. NAIC members, together with the central resources of the NAIC, form the national system of state-based insurance regulation in the U.S.

The NAIC has organized its work into various task forces and committees. The Executive (EX) Committee has working groups and task forces that focus on specific issues. In 2009, the NAIC formed the Producer Licensing (EX) Task Force to coordinate and oversee all NAIC groups addressing producer issues. One of the working groups that formerly reported to the Market Regulation and Consumer Affairs (D) Committee and now reports to the Producer Licensing (EX) Task Force is the Producer Licensing (EX) Working Group.

As its name suggests, the Producer Licensing (EX) Working Group focuses its efforts on the licensing process for individuals who sell insurance products. The Working Group has worked toward the goal of streamlining and achieving uniformity in the insurance producer licensing process. The purpose of the *State Licensing Handbook* (Handbook) is to document current guidelines and recommended best practices.

The Working Group strongly encourages all states, districts and territories to adopt, without deviation, all provisions of the NAIC's *Producer Licensing Model Act* (#218), because true uniformity cannot be achieved until that happens.

Part I of this Handbook contains background information on these efforts and current information on the implementation of Model #218, reciprocity efforts, the Uniform Licensing Standards (ULS), and related topics.

Part II of this Handbook includes information on other types of licenses that some states issue and a state licensing director may encounter.

Part III contains Appendices to this Handbook.

The NAIC and the Working Group worked to achieve reciprocity, as required by the initial provisions of the federal Gramm-Leach-Bliley Act (GLBA) and 15 U.S.C. § 6751 et seq., adopted in 1999, and create and implement the ULS and procedures in all states. In 2015, the provisions of the GLBA that prohibited the creation of the National Association of Registered Agents and Brokers (NARAB) were repealed, and NARAB was established. This Handbook contains the current recommendations and guidelines from the NAIC's Executive (EX) Committee, the Producer Licensing (EX) Task Force, and the Producer Licensing (EX) Working Group.

