Draft: 7/25/18

Producer Licensing Uniformity (D) Working Group

Conference Call

# July 10, 2018

The Producer Licensing Uniformity (D) Working Group of the Producer Licensing (D) Task Force met via conference call July 10, 2018. The following Working Group members participated: Chris Murray, Chair (AK); Karen Vourvopoulos, Vice Chair (OH); Peggy Dunlap (AR); Charlene Ferguson and Tyler McKinney (CA); Matthew Guy (FL); Lisa Tordjman (ID); Michele Riddering (MI); Kelvin Zimmer (ND); Kevin Schlautman (NE); Lorinda Martinez (NM); Barbara D. Richardson (NV); Rachel Chester (RI); Randal Overstreet (UT); and Melody Esquivel (WI). Mr. Murry said the Working Group reached a majority vote to use the following language for questions 8:

1. Adopted its June 18, June 13, June 6, May 9, May 2 and April 11 Minutes

The Working Group met June 18, June 13, June 6, May 9, May 2 and April 11 to review the NAIC uniform applications.

Mr. Zimmer made a motion, seconded by Ms. Chester, to adopt the Working Group’s June 18 (Attachment One-A), June 13 (Attachment One-B), June 6 (Attachment One-C), May 9 (Attachment One-D), May 2 (Attachment One-E) and April 11 minutes (Attachment One-F). The motion passed unanimously.

1. Reviewed the NAIC Uniform Applications

Mr. Murray said the Producer Licensing Uniformity (D) Working Group met June 18 at the 2018 NAIC/NIPR Insurance Summit, in joint session with the Uniform Education (D) Working Group, to complete the review of the producer and adjuster applications for initial and renewal. Mr. Murray said the redlined version of all applications was posted on the Working Group web page for review following the meeting. Mr. Murray said NAIC staff would review the applications to confirm any formatting or technical edits that are necessary before implementation.

Mr. Murray said there are a few items on applications posted that have been updated. He said initially the Working Group discussed changing language on the Individual Initial Producer Application item 34(b) by adding “in this jurisdiction” to the end sentence. Mr. Murray said after discussion with the National Insurance Producer Registry (NIPR), it was determined that adding this language could cause some coding issues and that this language change would not apply to a multistate non-resident application. Mr. Murray said the decision will be to make no change to this section.

Mr. Murray said the next change is on the Business Entity Initial Application, specifically item 25 concerning the designated responsible licensed producer (DRLP). He said the Working Group discussed changing this section so that only the last four digits of the Social Security number (SSN) are required. Mr. Murray said NIPR confirmed that it will need to collect the full SSN on the electronic application. He said in order to remain consistent between the paper and electronic version; there will be no change on this section.

Mr. Murray said on Business Entity Initial Application item 29, question 2, the Working Group agreed to remove continuing education (CE) from the list of items an agency needs to exclude. He said this was an error and will be removed from business entity applications.

Mr. Murray said next on the Business Entity Initial Application, there are areas throughout the application when “you” is being used as a description for applicant. He said the Working Group discussed and agreed that the business entity applications should reflect “business” and not individuals. Mr. Murray said NAIC staff will make these technical changes where appropriate.

Ms. Vourvopoulos said on the Individual Initial Producer “attachments,” the Working Group originally inserted “required documents” language, but it is not on the draft applications. She said the language references the electronic aspect of application and not the paper. Mr. Murray said NAIC staff will work with NIPR to make these technical language changes.

Ms. Vourvopoulos said Individual Producer Renewal Application language was added to the Attestation section question 5 that should be added to all applications. Mr. Murray confirmed that this was a technical error and would be updated on all applications. Mr. McKinney said there is a language error on the attestation and that it should be reviewed prior to implementation. Mr. Murray said all applications will be reviewed, and language errors will be updated where appropriate.

Linda Brunette (Securities and Insurance Licensing Association—SILA) said SILA has concerns with the lines of authority matrix section found on the Individual and Business Entity Initial Applications remaining current as the Working Group implements a new version of application. Mr. Murray said these charts will be updated prior to the applications being implemented to confirm the most current state information is being used.

Mr. Murray said at the joint interim meeting, the Working Group discussed the paper adjuster licensing applications. He said the consensus of the Working Group was that the paper applications are not being used and that the electronic application is using the producer version. The Working Group discussed using the producer applications in place of the adjuster application. The Working Group agreed that the word “producer” would be removed from the Individual Initial Producer Application so that it can be used by producer or adjuster applicants.

Mr. Tozer made a motion, seconded by Ms. Dunlap, to adopt the initial and renewal applications for the Individual and Business Entity Producer applications including the changes mentioned on today’s conference call. The motion passed unanimously.

Ms. Vourvopoulos made a motion, seconded by Ms. Chester to discontinue the use of the NAIC Adjuster Applications. The motion passed unanimously.

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

W:\National Meetings\2018\Summer\TF\PLTF\Working Groups\UWG\Minutes\7.10.18 PLUWGmin.docx