**INDIVIDUAL INITIAL APPLICATION**

**Page 1: Top of page**

**Oklahoma:**

* \*\*At the top – under the Non-Resident license check box  - remove the “identify home state\_\_ home state license# \_\_\_\_”  -   pointless, as their resident license number is of no use at all
* Oklahoma has been questioned during several legal hearings about the legality of having an “Authorized Submitter” fill out an application for an applicant.  There is no legal recourse to go after a “submitter” when information is intentionally falsified.  We feel it would be beneficial to discuss this portion off the application with other regulators to determine if additional information on the submitter (DOB, SSN, Contact information etc) can be gathered so we can take action against them in the event of willful falsification.   The NIPR user agreement briefly touches on this issue but to our knowledge NIPR doesn’t keep track or require a signed authorization for a submitter to complete on behalf of an applicant.

**Mississippi:**

* Adding the Applicant’s Name line at the top of each page on the individuals like the NAIC forms, with the exception of the first and last pages.

**Ohio:**

* Update: Gender (Circle One)   Male    Female    Non-Binary

Reasons for suggested changes:

Gender identification is an increasing issue

o   Stats are not available, but Ohio has seen about 10 applicants this year that either changed gender or stated that they did not identify as either gender.

**SILA:**

* With all the States passing legislation adding application assistances for military and military spouses, including some fee waiver benefits—add an identifier for military affiliation on the uniform application.

**Page 1: Section 1-34**

**Ohio:**

* Add: Mobile phone number

Reasons for suggested changes:

Mobile phone number is a common form of contact and many people no longer have home phone numbers.  It is also on the CCR form.

o   Affects just about all applicants

**SILA:** Section 13 – Home Phone Number

* With many individuals using a cell number as their primary phone, can we change the label to Contact Phone Number of Preferred Phone Number?

**ACLI:** Section 14

* Question #14: Add more space to allow email address.

**SILA:** Section 14 – Email

* With the use of multiple email addresses, can a Preferred Email Address indicator be included?

**Oklahoma:** Section 16

* Change #16:  “If NO ~~and this is an application for a Resident License~~, you must supply proof of eligibility to work in the US”   You have to supply eligibility to work in the US for non-resident applications as well.

**California**: Section 17

* Do we need to add something like “Employer Business Entity Name” (if that is what we are asking)?

**MARSH:** Section 34a

* Since this is an initial application, why does it ask for other names the person may have used in the past? Is the question driving at names used on licenses in the past when someone is getting relicensed?

**SILA:** Section 34a

* *List any other assumed, fictitious, alias, maiden or trade names which you have used in the past.*

Sometimes a state will take it that we want to do business under the name placed here, when, in fact we do not. We are just putting names we currently use in other jurisdictions.

If the state wants to capture assumed names to be used in the requested state, then consider adding a secondary question: *List any assumed, fictitious, alias, maiden or trade names which you intend to use in the requested state.*

(Also add more space for the names on the forms).

**Page 1: Section 35**

**ACLI:** Section 35

* Agency Affiliations:*List your Insurance Agency Affiliations: (Complete only if the applicant is to be licensed as an active member of the business entity).*

The states are not consistent in using the agency affiliation section of the application. Many states still require agency affiliation requests to be requested outside of the application. We are seeking consistent use of the agency affiliation information.

**Page 1: Section 36**

**Florida:** Section 36

* This is more of a question than a recommended change.  Regarding the “Employment History” part of the application, do you know how many states use this?  If there are only a couple states that use it, could it be removed?  Of the 100,000 applications we get each year, we might have 2-3 unique situations where we ask an applicant for employment history……..and we do that separately in an application deficiency letter.  Again, this isn’t a big deal.  Just looking for a potential opportunity to shorten the application

**ACLI:** Section 36

* Employment History – we need more lines added to allow for five-years’ history
* Requested Change:

Modify the employment history section of the application to limit the scope of the question to current employment and make the online form more user-friendly, such as the format suggested below.

1. *Are you currently employed? \_YES \_NO*
2. *If* yes, *please list your employer and position.*

Reason for the Change:

In general, applicants cannot be denied a license based on their previous employment. There are, however, states that do consider current employment because these states have conflicting employment prohibitions for certain licenses. The suggested change will allow states to still get the information they need regarding current employer, while streamlining the application and making it less cumbersome for applicants.

The current application requires candidates to account for a full five years of employment history with no gaps. When using the online form, failure to account for even a single month of employment during the previous five years returns an error message that requires adding, removing or editing a form that is not user friendly. In addition, while the instructions state that "unemployment," "full-time education," or

"part-time" are acceptable answers, the form only has spaces for "Employer's Name" and "Position." The form's failure to provide an intuitive space for alternatives to full-time employment can give applicants the impression that unemployment or lack of full-time work could count against their application.

**Page 2:**

**Mississippi:**

* Mississippi has reviewed the applications/renewals:  The only recommendation for discussion is removing  “agent” as license type.  Producer is the term used in the state licensing handbook and PLMA. In addition, MS doesn’t offer a “broker” license, and brokers have been required to apply as “agent”.

**ACLI:**

* Jurisdiction grid has missing or misaligned vertical lines for certain states.

**Page 3:**

**Oklahoma:**

On all Individual Applications: The Background questions exclusions are  “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”

Our legal division feels this needs to be expounded on or explained why such offenses as public intox and misdemeanors for minor drug possession are not excluded.  We would like to see those types of charges excluded as well.

**California:** Question 1a

* Page 3 Section 38: **NOTE:** For Questions 1a, 1b and 1c, **“Convicted”** includes, but is not limited to, having been found guilty by verdict of a judge or jury or having entered a plea of guilty or nolo contendere or no contest
  + NOTE: Removed “or having been given probation, a suspended sentence, or a fine.” Courts cannot impose criminal sanction without a plea or verdict.
* Page 3 Section 38: (1a) Comment “This might be something that the various states need to weigh in on with how their specific state law applies”
* Page 3 Section 38: (1a) You may also exclude juvenile adjudications (~~offenses where you were adjudicated delinquent in a juvenile court~~)

**Idaho:**  Question 1a

* 1 a. Have you ever been convicted of a misdemeanor, had a judgment withheld, deferred or continued without finding, or are you currently charged with committing a misdemeanor?

**California:** Question 1b

* (1b) You may exclude juvenile adjudications ~~(offenses where you were adjudicated delinquent in a juvenile court)\~~
* (1b) If you have a felony conviction involving dishonesty or breach of trust, have you applied for written consent to engage in the business of insurance in your home state as required by 18 USC 1033?
  + What do states do in regards to 1033 being granted in other states? CA does not simply accept 1033 consent from other states and, in certain instances, has a different interpretation of which convictions require 1033 consent (i.e. Some states consider certain drug offense as requiring 1033 consent, CA does not).
* (1b) If so, was consent granted? (Attach copy of 1033 consent approved by home state.)
  + There needs to be something to indicate to the applicant that if they need 1033 consent and have not received it they cannot continue on with the application. Something that says “STOP – if you have a felony involving dishonesty and have not applied for consent you must apply for, and receive, consent before you can complete this application.” CA considers an application from an applicant who needs 1033 consent but has not received it to be “incomplete”.

**Idaho:**  Question 1b

* 1b. Have you ever been convicted of a felony, had a judgment withheld, deferred or continued without finding, or are you currently charged with committing a felony?
* *Continuance without a finding (CWOF) in some states is equivalent to other resolutions without conviction where the court agrees to not render a verdict for a period of time in exchange for defendant complying with conditions of the court—like a withheld—and can be dismissed successfully if defendant complies.*

**Connecticut:** Question 1 & 2

* Questions #1 and #2. Bold the word “**EVER**.” When we question licensees about incidents or actions that we have found, many respond with, “I thought it meant 5 years, or 10 years, or it was when I was in college, etc.”

**Ohio:** Question 1 a, b, and c

* Update: **NOTE**: For Questions 1a, 1b, and 1c, **“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.

If you answered **“Yes”** to any of the above questions (1a, 1b, or 1c), you must attach to this application:

a) a written statement explaining the circumstances of each incident,

b) a copy of the charging documents of each incident, and

c) a copy of the official documents of each incident, which demonstrates the resolution of the charges or any final judgment.

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* Update: Have you been notified by any jurisdiction ~~to which you are applying~~ of any delinquent tax obligation that is not subject of a repayment agreement?

·         Add: Veteran question “*Are you a member or veteran of the armed forces, or the spouse or surviving spouse of a service member or veteran?*”

* Documents for “Yes” answers should be plural as many applicants have more than one case in which they are reporting a yes answer.

o   Stats are not available, but would affect any applicant that has multiple charges/convictions.

* Delinquent tax obligation can be from federal, state, local, or other, not just from the jurisdiction applicant is applying.

o   Ohio has seen only a handful of applicants that have argued that they answered no because the delinquent tax obligation was from a jurisdiction other than Ohio, but their arguments have caused a lot of problems.

* The Veterans question allows the Department to recognize applicants who are members or veterans of the armed forces or spouses/surviving spouses and can give priority to those applicants.

o   Ohio has processed 6,852 applications (10/1/16-9/30/17) from active members, veterans or spouses.

**California:** Question 1c

* + (1c) - **~~NOTE:~~** ~~For Questions 1a, 1b and 1c,~~ **~~“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.~~
  + Page 3 Section 38: (1c) –

If you answer yes to any of these questions, you must attach to this application:

a) a written statement explaining the circumstances of each incident,

b) a copy of the charging document,

c) a copy of the ~~official~~ certified document, which demonstrates the resolution of the charges or any final judgment.

**SILA:** Question 1 a, b and c

* On any form, where the term “Conviction” is defined, it appears as, or similar to, as follows:
* ***NOTE:*** *For Questions 1a, 1b, and 1c “****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.*

With the increasing number of courts issuing first offender dispositions (First Offender Program, Deferred Adjudication, Accelerated Rehabilitative Disposition, and so forth), the defendant must enter a plea of guilt and often receives a period of supervision (probation) with possible monetary penalty. Both during and after the program completion, it is not considered a “conviction” under applicable state law.

To limit confusion to the applicant, administrator and regulator in terms of how to handle lower level offenses or infractions, we are requesting the following definition of ‘conviction’:

* “Convicted” for the purposes of the questions below relates to any misdemeanor or felony level criminal act in which you have been found guilty by verdict of a judge or jury, have entered a plea of or nolo contendere, no contest, or other similar plea, are currently under any type of court ordered supervision related to a criminal act, and/or have ultimately received an adjudication of guilt in any manner.  Conviction does not, for the purposes of this document, refer to any act or event in which a plea of guilt was entered in order to receive a first offender disposition, deferred adjudication, or suspended sentence program and that program was successfully completed, resulting in a final dismissal of changes, or any history that has officially been expunged via a court order.

**California:** Question 2

* + (2) Have you ever been named or involved as a party in an administrative proceeding, including FINRA sanction or arbitration proceeding regarding any professional or occupational license or registration?

“Involved” means having a license censured, suspended, revoked, canceled, terminated, or restricted; or, being assessed a fine, a cease and desist order, a prohibition order, a compliance order, placed on probation, sanctioned, or surrendering a license or entering into a settlement to resolve an administrative action. “Involved” also means being named as a party to an administrative or arbitration proceeding, which is related to a professional or occupational license, or registration. “Involved” also means having a license, or registration application denied or the act of withdrawing an application or entering into a settlement to avoid a denial. INCLUDE any business so named because of your actions in your capacity as an owner, partner, officer or director, or member or manager of a Limited Liability Company or any other position that exercises management or control over the business. You may EXCLUDE terminations due solely to noncompliance with continuing education requirements or failure to pay a renewal fee.

If you answer yes, you must attach to this application:

1. a written statement identifying the type of license and explaining the circumstances of each incident,
2. a copy of the ~~Notice of Hearing~~ pleading or other document that states the charges and allegations, and
3. a copy of the official document, which demonstrates the resolution of the charges or any final judgment.

**Connecticut:** Question 2

* Question #2. Add to the definition of “INVOLVED,” to include being **terminated** by the Broker Dealer or Voluntarily Resigning from the Broker Dealer.
* The current wording says “Involved” means having a “license” censured, suspended, terminated
* We could like to clarify or add that we also want their *explanation* and *supporting documents* if the FINRA action shows a Termination or Voluntary Resignation on the FINRA report.
* We do not have a number, but we find that those who have had a broker dealer terminate them or allow them to voluntarily resign is usually cause for further follow-up with our investigation unit.

**Florida:** Question 2

* On question #2 of the “Background Questions,” under the explanation portion under the question, can we add something like “…..or had a restricted license issued or had a license issued on probation….”  There are some states (California and Georgia, I believe) who issue a restricted license vs. an unrestricted license as a ‘penalty’, per se.

**Idaho:**  Question 2

* Have you ever been named or involved as a party in an administrative proceeding, including FINRA sanction or arbitration proceeding regarding any professional or occupational license or registration?

Yes \_\_\_ No\_\_\_

“Involved” means having a license censured, suspended, revoked, canceled, terminated; or, being assessed a fine, a cease and desist order, a prohibition order, a compliance order, placed on probation, sanctioned or surrendering a license to resolve an administrative action.“Involved” also means being named as a party to an administrative or arbitration proceeding, which is related to a professional or occupational license, or registration. “Involved” also means having a license, or registration application denied or the act of withdrawing an application to avoid a denial. INCLUDE any business so named because of your actions in your capacity as an owner, partner, officer or director, or member or manager of a Limited Liability Company. You may EXCLUDE terminations due solely to noncompliance with continuing education requirements, failure to notify state of address change or failure to pay a renewal fee.

*add this as an exemption for items needing disclosure. Allow states to fine and take action but omit as an offense that must be reported so that other states actions cannot be taken for not reporting the action.*

**Oklahoma:** Question 2

* There are no questions to ask individual licensees or BE’s if they have ever had an appointment with an insurance Carrier Terminated for cause.  A lot of time the Carrier will not enter in a termination for cause to the PDB as “for cause” but we feel it is important to ask every licensee if this has taken place .  This can be added to background question #2 on the ORIGINAL APP and RENEWAL applications.

**Nebraska:** Question 2

* This suggestion applies to all applications that ask the background question: “Have you ever been named or involved as a party in an administrative proceeding, including FINRA sanction or arbitration proceeding regarding any professional or occupational license or registration?”  Our Legal Division has asked if a comma can be added after “arbitration proceeding,”.  This came to light during a license hearing when a producer claimed that the wording/syntax of the sentence did not require him to report administrative action against his lawyer’s license.

**SILA:**  Question 2

* We are asking for additional clarification for the term “Involved”.
* *Involved means having a license censured, suspended, revoked, canceled, terminated; or, being assessed a fine, placed on probation, sanctioned or surrendering a license to resolve an administrative action. “Involved” also means being named as a party to an administrative or arbitration proceeding, which is related to a professional or occupational license, or registration. “Involved” also means having a license, or registration, application denied or the act of withdrawing an application to avoid a denial. INCLUDE any business so named because of your actions in your capacity as an owner, partner, officer or director, or member or manager of a Limited Liability Company. You may exclude terminations due solely to noncompliance with continuing education requirements or failure to pay a renewal fee.*

Is the applicant required to disclose late action regulatory filing fines or fees (example: late address change fines)? Or, are late filing fees not considered administrative actions and are outside of the disclosure requirements?

* Also suggest the removal “noncompliance with continuing education requirements” from business entity applications.

**Connecticut:** Question 3

* As regards any demand for payment, would like to include if they have reported a Judgement/Lien on their FINRA report.
* Would like to add Question #3 to All **renewal** applications.

**Idaho**: Question 3

* Has any demand been made or judgment rendered against you or any business in which you are or were an owner, partner, officer or director, or member or manager of a limited liability company, for overdue monies ~~by an insurer, insured or producer,~~ or have you ever been subject to a bankruptcy proceeding? Do not include personal bankruptcies, unless they involve funds held on behalf of others.

Yes \_\_\_ No\_\_\_

If you answer yes, submit a statement summarizing the details of the indebtedness and arrangements for repayment, and/or type and location of bankruptcy.

*Remove language that keeps this reference tied to insurance since any behavior resulting in a civil suit or lien or bankruptcy or judgment is pertinent and should be disclosed, also question not reporting personal bankruptcy and that is what this is interpreted as rather than being subject to bankruptcy proceeding….*

**SILA:** Question 3

* Regarding the bankruptcy question:
* *Has any demand been made or judgment rendered against you or any business in which you are or were an owner, partner, officer or director, or member or manager of a limited liability company, for overdue monies by an insurer, insured or producer, or have you ever been subject to a bankruptcy proceeding?*

*Do not include personal bankruptcies, unless they involve funds held on behalf of others.*

More clarity is needed around what is expected on the highlighted disclosure requirement? We are suggesting the addition of the following examples: “includes, but is not limited to, insured’s premium payments, employee tax withholdings, escrow accounts, or any monies held by you in any capacity for third parties”.

**Connecticutt:** Question 4

* Would like to change question to: Do you currently have any State or Federal/IRS delinquent or outstanding tax obligations? If yes, do you have a payment arrangement, and is it current? Provide explanation and copy of repayment agreement.
* We are finding that licensees will submit a payment agreement from several years ago that is not currently being paid.

**Idaho**: Question 4

* Have you been notified of any delinquent state or federal tax obligation ?

Yes \_\_\_ No\_\_\_

If you answer yes, identify the jurisdiction(s): \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and whether or not this is currently subject to a repayment plan/agreement

*It’s rare that the producer owes taxes to the state they are applying to unless it’s the resident state. Limiting disclosure to whether or not it is subject to a repayment agreement also seems to imply only those circumstances need to be reported but any tax liability should be relevant. Add language to request information about repayment, etc.*

**SILA:** Question 4

* Clarification is needed for the intent of the following regarding delinquent taxes:
  + *Have you been notified by any jurisdiction to which you are applying of any delinquent tax obligation that is not the subject of a repayment agreement?*

This appears to apply only to the state where the applicant is applying. It does not mention or apply to federal taxes? Is this the correct interpretation?

**Idaho**: Question 6

* 6. Have you or any business in which you are or were an owner, partner, officer or director, or member or manager of a limited liability company, ever had an insurance agency contract or any other business relationship with an insurance company terminated for any alleged misconduct?

Yes\_\_\_\_No\_\_\_\_

If you answer yes, you must attach to this application:

a) a written statement summarizing the details of each incident and explaining why you feel this incident should not prevent you from receiving an insurance license, and

b) copies of all relevant documents.

*Remove reference to insurance (only) or add “any other business dealings, including securities business”*

***Add question to renewal applications that inquires about financial status, including tax, civil judgments or liens, etc.***

**California:** Question 7

* Page 3 Section 38: (7) Do you have a child support obligation in arrearage?

If you answer yes,

1. by how many months are you in arrearage?
2. are you currently subject to ~~and in compliance with any~~ a repayment agreement?
3. are currently in compliance with the repayment agreement?
4. are you the subject of a child support related subpoena/warrant?

(If you answered yes, provide documentation showing proof of current payments or an approved repayment plan from the appropriate state child support agency.)

~~(If you answered yes, provide documentation showing proof of current payments or an approved repayment plan from the appropriate state child support agency.)~~

**California**: Question 7

* Page 3 Section 38: (8) . In response to a “yes” answer to one or more of the Background Questions for this application, are you submitting the required document(s) to the NAIC/NIPR Attachments Warehouse?

If you answer yes

Will you be associating (linking) previously filed documents from the NAIC/NIPR Attachments Warehouse to this application?

(Comment: What happens if they check “No” but they have said “yes” to one of the background questions. Does there need to be something that states, “If you answer no, you must submit the required documents to the state’s department of insurance you are applying to”?

**Note:** If you have previously submitted documents to the Attachments Warehouse that are intended to be filed with this application, you **must** go to the Attachments Warehouse and associate (link) the supporting document(s) to this application based upon the particular background question number you have answered yes to on this application.  You will receive information in a follow-up page at the end of the application process, providing a link to the Attachment Warehouse instructions.

**Page 5:**

**IIABA:** Attestation

* **Issue #1 –** Each of the forms includes attestations that (1) authorize the jurisdictions to which an application is submitted “to give any information concerning [an applicant], as permitted by law, to any federal, state or municipal agency, or any other organization and (2) to “release the jurisdictions and any person acting on their behalf from any and all liability of whatever nature by reason of furnishing such information.” IIABA is extremely troubled by both elements of this attestation (which appears to be unique to the insurance industry), and we encourage the NAIC to either remove it from the applications altogether or to make significant revisions. This statement permits state officials to share any information about a producer or applicant with *any* public or private organization and excuses regulators and others who obtain access to such information from *any* liability (regardless of circumstances, culpability of the party involved, injury to the affected person, etc.), and this boundless authorization and waiver is inappropriate and troubling. Producers and prospective producers have no choice whether to agree to this attestation, opportunity to inquire about its effect, or ability to reduce its scope, as they are compelled to agree to the statement in order to obtain their necessary licenses and to engage in their chosen professions. This issue affects every producer in the country and should be addressed by the Producer Licensing Task Force.
* **Issue #2** – The initial producer application forms (for both individuals and business entities) include an “Attachments” section at the very end. The section is a two-part disclosure that advises applicants about the attachments that must accompany an application and directs them to the State Matrix of Business Rules to determine exactly what must be submitted. IIABA urges the task force to revise this section in two ways. First, we believe the first statement should be deleted. In its current form, the statement simply notes that regulators in jurisdictions where a nonresident license is being sought will rely on the State Producer Database to confirm licensure in the applicant’s home state. The statement does not identify any documents or attachments that must accompany the application (which is the purpose of this section), so it can be removed. Second, if producers and applicants are expected to review the State Matrix of Business Rules and include any identified attachments with an application, then we urge the task force to include a more direct web address in this section. The applications currently make reference to the generic [www.nipr.com](http://www.nipr.com) address, and a more direct link to the matrix would be beneficial. One possible alternative for this section follows below:

***Attachments***

*Applicants must submit the jurisdiction-specific attachments listed in the State Matrix of Business Rules (insert appropriate link) with this application. Applications submitted without the required attachments may be returned unprocessed or considered deficient.*