TO BE COMPLETED BY STATE INSURANCE DEPARTMENTS

NARAB (EX) WORKING GROUP RECIPROCITY CHECKLIST

A. 1. Are there any requirements or submissions imposed upon a non-resident producer seeking licensure in your state other than:

   a. The person must be currently licensed as a resident and in good standing in his or her home state;
   b. The person has submitted the proper request for licensure and has paid the required fees;
   c. The person has submitted or transmitted to the insurance commissioner the application for licensure that the person submitted to his or her home state or, in lieu of the same, a completed Uniform Application; and
   d. The person's home state awards non-resident producer licenses to residents of your state on the same basis?

   No, these are the only requirements/submissions X or
   Yes, there are additional requirements/submissions _____

   If you answered “yes” to the above question please explain the additional requirements/submissions and provide the authority in your statutes or regulations for imposing such requirements/submissions. (Please use separate page(s) if necessary.)

   __________________________________________________________
   __________________________________________________________
   __________________________________________________________

2. Does your state impose any additional requirements or submissions other than the four listed in A.1 upon a non-resident business entity seeking licensure?

   Yes ___X___ or No _____

   If yes, please explain the additional requirements/submissions applicable to business entities and provide the authority in your statutes or regulations for imposing such requirements/submissions. (Please use separate page(s) if necessary.)

   Org documents for entities  The Texas Insurance Code §4056.054, §4001.106 ________
   __________________________________________________________
   __________________________________________________________
   __________________________________________________________
B. Do you have the legal authority to waive any requirements other than the four requirements stated in A.1 above relating to the licensing of a non-resident producer if the non-resident producer's home state grants licenses to producers from your state on the same basis (see Sec. 16, PLMA)?

Yes ___X____ or No _____
Citation (if applicable): ____________________________

C. 1. In your state, will a non-resident license be granted for at least the same scope of authority as the non-resident producer applicant's home state license?

Yes ___X____ or No _____
Citation (if applicable): The Texas Insurance Code §4056.056  

2. Does your state require a non-resident applicant seeking a variable life license to also obtain a life license from your state?

Yes _____ or No ___X___
Citation (if applicable): TDI does not have a separate variable life license. Variable life may be conducted under the GL Life, Accident, and Health or the Life Only line of authority ____________________________

If yes, will you waive this requirement?  No ____________________________
Citation (if applicable): ____________________________

D. In your state, is a non-resident producer's continuing education requirement met if the non-resident producer fulfills his or her home state continuing education requirement and the home state also grants such reciprocity?

Yes ___X____ or No _____
Citation (if applicable): The Texas Insurance Code §4056.057  

E. For each “yes” answer to any of the following questions, please indicate whether you can and will waive the requirement in order to achieve non-resident producer licensing reciprocity.

In your state:

1. Is an appointment required prior to or concurrent with licensure?

Yes _____ or No ___X___
Citation (if applicable): ____________________________

Please explain: Appointments required under The Texas Insurance Code §4001.202 may be obtained after licensure. ____________________________

If yes, will you waive this requirement? ____________________________
2. Are there any bond, E & O, deposit, tax clearance or trust account requirements for non-resident applicants or producers?

   Yes _____ or No __X__
   Citation(s) (if applicable): __The Texas Insurance Code §4056.054, §4056.055.

   Please explain: ________________________________

   If yes, will you waive this requirement? ________________________________
   Citation(s) (if applicable): ________________________________

3. Are non-resident surplus lines applicants or producers required to post a bond?

   Yes _____ or No __X__
   Citation (if applicable): ________________________________

   Please explain: ________________________________

   If yes, will you waive this requirement? ________________________________
   Citation (if applicable): ________________________________

4. a. Are non-resident surplus lines applicants or producers required to obtain an underlying general lines or P&C license from your state as a condition to surplus lines licensure?

   Yes _____ or No __X__ (If No, you may proceed to E.5.)
   Citation (if applicable): As long as they qualify for the exemption as outlined in NRRA.

   b. Does your state have a diligent search requirement?

      Yes __X__ or No _____
      Citation (if applicable): __The Texas Insurance Code §981.004 and §981.203. However, if the insured qualifies as an Exempt Commercial Purchaser, the Texas Insurance Code §981.004(c) provides that a diligent effort is not required.

   c. Is the surplus lines producer required to perform the diligent search of the admitted market in your state?

      Yes _____, No _____ or Sometimes __X__
      Citation (if applicable): ________________________________

      If “Sometimes,” please explain the circumstances under which the surplus lines producer is or is not required to perform the diligent search.
Generally a surplus lines producer is required to perform a diligent search to place the coverage in the admitted market. However, a non-resident producer who meets the requirements of the Texas Insurance Code §981.203(a-1) is not required to personally conduct the diligent search. In addition if the insured qualifies as an Exempt Commercial Purchaser a diligent effort is not required under the Texas Insurance Code §981.031-032.

d. If the surplus lines producer is not required to perform or is not otherwise performing the diligent search, will you waive the requirement to obtain an underlying general lines or P&C license from your state?

Yes ___X___ or No _____

Citation (if applicable): The Texas Insurance Code §981.203.

5. Are there any training, education, prior experience requirements or minimum age requirements for non-resident applicants or producers?

Yes ___X___ or No _____

Citation(s) (if applicable): 18 yrs. Old – The Texas Insurance Code §4001.105.

Please explain:

If yes, will you waive such requirement(s)?  No ______

Citation(s) (if applicable): ____________________________

6. Are there any provisions allowing only resident producers to sell or solicit insurance or bonds for state business, special funds or entities or state funded projects?

Yes ___X___ or No _____

Citation(s) (if applicable): Texas Occupations Code § 2154.205

Please explain: For public fireworks displays a certificate of insurance for surplus lines coverage obtained through a licensed Texas surplus lines agent resident in this state may be filed with the commissioner as evidence of coverage required by § 2154.205.

Please explain: ____________________________

If yes, will you waive such restriction(s) for non-resident producers? No. Local law enforcement checks on compliance.

Citation(s) (if applicable): ____________________________

F. Are there any post-licensing or other regulatory requirements on any non-resident producer that limit or condition the non-resident producer’s activities because of such producer’s residence or place of operations, or that otherwise subject the non-resident producer to different or discriminatory regulatory requirements than those imposed upon residents?
Yes _____ or No ___X____

If yes, please list the post-licensing/other regulatory requirement(s):

____________________________________

____________________________________

____________________________________

Citation(s) (if applicable): _________________________________________________

If yes, will you waive any of the requirements listed above?

Yes _____ or No ___

Citation(s) (if applicable): _________________________________________________

CERTIFICATION

I hereby certify that I am familiar with the laws, decisions, rules, regulations and other state action having the effect of law in my jurisdiction and upon review of the same affirm that the responses to the above and foregoing are true and correct. Moreover, I hereby further certify that I have the authority to waive those producer licensing requirements as indicated herein above and agree to waive said requirements in order to meet the reciprocity standard for non-resident producer licensing as set forth in the Gramm-Leach-Bliley Act.

Date: __5/8/14__

(Signature)

(Title)

This document is not intended to reflect any position statement of the NAIC, but has been prepared solely to assist the NARAB Working Group in its review of continuing compliance with the reciprocity provisions of the Gramm-Leach-Bliley Act.