

## **CCIA Limited Lines Business Entity Licensing Uniformity Recommendation**

1. The Business Entity offering the credit insurance along with a Designated Responsible Licensed Producer (DRLP) obtain a limited lines credit insurance license (or state equivalent).<sup>1, 2</sup>
  2. The DRLP is appointed by the insurer. The DRLP must be a natural person who is a full-time employee, principal or owner of the business entity that is responsible for the entity's compliance with the insurance laws of the state in which the business entity holds its license.
  3. No licensing is required of employees of the Business Entity acting within the scope of the limited lines business entity license if there is no commission paid to those employees.
  4. The Business Entity and the DRLP are responsible for tracking any employees working under the business entity license with no requirement that a list of the employees be submitted to the Department of Insurance.
  5. The insurer is responsible to provide education and training of the DRLP and the employees.
  6. The Business Entity license applies to all branch locations of a business entity within a state<sup>3</sup> with no separate registration or licensing requirements for branch locations.
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<sup>1</sup> All states allow for a business entity to obtain a limited lines credit insurance license or state equivalent.

<sup>2</sup> According to the NAIC Producer Licensing Assessment Aggregate Report of Findings dated February 19, 2008, there are currently 41 states that require a business entity to designate a DRLP.

<sup>3</sup> According to the NAIC Producer Licensing Assessment Aggregate Report of Findings dated February 19, 2008, there are currently 43 states that issue business entity licenses that include all branch locations.