

PRODUCER LICENSING (P/C & L/H) ADVISORY BOARDS

Meeting Minutes

Meeting Date: March 20, 2018

Call to order: A joint meeting of the **Producer Licensing Life & Health Advisory Board** and the **Producer Licensing Property & Casualty Advisory Board** was held at the Maryland Insurance Administration on **March 20, 2018**. The meeting convened at **10:00** and was called to order by **Erica Bailey**.

Attendance was taken and MIA staff members were introduced. The covered topics and summaries are listed below.

Life/Health Advisory Board		
Last Name	First Name	Present (Yes/No)
Cohen	Stephanie	Yes
Timothy	Daniels	Phone
Frazier	Audrey	Phone
Huber	Cynthia	Yes
Kafes	Edward	Phone
Riley	James	Phone
Tegeler	Harvey	Phone
Wilson	Venus	Phone
Langrall Jr.	Clarke	Phone
Richards	Megan	Yes

Property/Casualty Advisory Board		
Last Name	First Name	Present (Yes/No)
Demetriou	Ted	Yes
Kellner	Laura	No
Langford	Rebekah	Phone
Mettee	Donald	No
Micciche	John	No
Moody II	Christopher	Phone
Pelkofsky	Richard	No
Quamina	Courtney	Phone
Slavin	Scott	Yes

Maryland Insurance Administration Staff Attendees:

Last Name	First Name
Bailey	Erica
Arnold	Darlene
Gross	Jeffrey
Donahue	William

Last Name	First Name
Brillante	Lorelei
Gordon	Lauren
Decker	Jason
Hoblitzell	Tyler

Meeting Topics and Summaries

Opening Remarks
Associate Commissioner Erica Bailey began the meeting with an introduction and greeting to attendees. Director of Producer Licensing, William Donahue provided opening remarks, announced MIA staff members in attendance, and made a motion to approve the previous minutes. There was a motion to approve the previous minutes, seconded and the motion passed.
Continuing Education Updates
SB75 2016, requires resident Public Adjusters to complete CE effective 01/01/2018. Producer Licensing is working with the vendor to automate processes and this process should be complete within the next few weeks. The following states are not reciprocal with MD for the public adjuster license: Alabama, Alaska, Arizona, Arkansas, Florida, South Dakota, and Wisconsin. Applicants who reside in these states will be licensed using the same criteria as MD residents including CE. LVC (large volume correspondence) has been sent to all affected public adjusters and there have been no issues.
Bail Bonds
House Bill 451, effective 10/01/17-Producers who write bail bonds are required to complete 4 hours of bail bonds CE. LVC was sent to all P&C producers which explained if they sell bail bonds, they will need to complete the bail bond CE requirement prior to license renewal. This requirement is similar to the one in place for producers who sell flood and LTC. These producers are required to complete 2 hours every two years.

PRODUCER LICENSING (P/C & L/H) ADVISORY BOARDS

Meeting Minutes

Meeting Date: March 20, 2018

Title

In 2017, title reciprocity became an issue when the Commonwealth of PA, announced on its website that PA was not reciprocal with any state for title insurance. Reciprocity, section 10-119, the person's home state awards nonresident insurance producer licenses to resident of MD on the "same basis". PA does not. After investigation, existing PA residents would be renewed, but are required to complete MD CE. (16 hours). New PA title applicants would be licensed using the same criteria as a MD resident including CE. Producer Licensing then contacted the 49 states licensing directors regarding their title licenses to determine reciprocity. PL reviewed, type of license (separate, loa, limited lines), Prelicensing requirements if any, exam requirements if any, continuing education if any, whether the state permitted the licensee to conduct a real estate closing, and whether their state would issue a MD resident a title license. This resulted in a title matrix and a determination of which states are reciprocal with MD. IE: Texas, cannot sell title insurance and conduct closing. Separate licenses, title producer, and escrow officer. LVC sent to affected producers from non-reciprocal states. No issues so far. CE vendor is working to automate the process to record NR CE.

Should resident producers be required to complete CE 30 days prior to expiration?

William Donahue proposed new regulation which would require resident producers to complete all CE within 30 days prior to license expiration. In addition, this new regulation would require CE vendors to report CE within 5 days instead of 15 days. This new requirement would deter procrastinators from attempting to renew late and then request the waiver of late fees. Producer licensing currently sends renewal reminders via LVC at 90 day, 60 day, and 30 day increments, however late license renewals continues to be an issue on a monthly basis. Board members discussed the advantages and potential disadvantages to this new regulation. All comments and suggestions will be presented to Commissioner Redmer while we are in the process of drafting regulation.

Licensing System Updates

SBS (state based systems) 2016, first large state to use complete rewrite of the NAIC/state based systems. March 22, 2016. It was a struggle. Last visit from SBS on March 1 & 2, 2018. Issues list of around 270 since June 2016 now reduced to four. System is working well now and there are approximately 20 states using SBS2016. System upgrades permit LVC, data extracts, the ability to send correspondence for pending transactions using templates, click what is missing and the email is automatically sent to applicant. Most importantly PL can send emails to all recorded email addresses of renewal. 90, 60, and 30 days in advance. This has decreased the amount of late renewals.

Website Updates

Lorelei Brillante presented some of the completed updates to the MIA website. The producer licensing page is clearer, the most frequently used functions are more prominent, and the menu items are more user-friendly. All license types are now included on the landing page. The new web page is currently under legal review and will be updated soon.

Pre-licensing and Exam Vendor Contract

The vendor the MIA uses to coordinate pre-licensing training, and administer exams will be under contractual review and procurement soon. The current contract expires in 2019. There will be a request for proposal soon. Vendors are usually obligated to two year contracts with three one year renewal options. The MIA welcomes board members to volunteer to participate in exam review.

PRODUCER LICENSING (P/C & L/H) ADVISORY BOARDS

Meeting Minutes

Meeting Date: March 20, 2018

At 11:29 a.m. a motion was made to adjourn the meeting, seconded and the motion passed. The meeting was adjourned.