



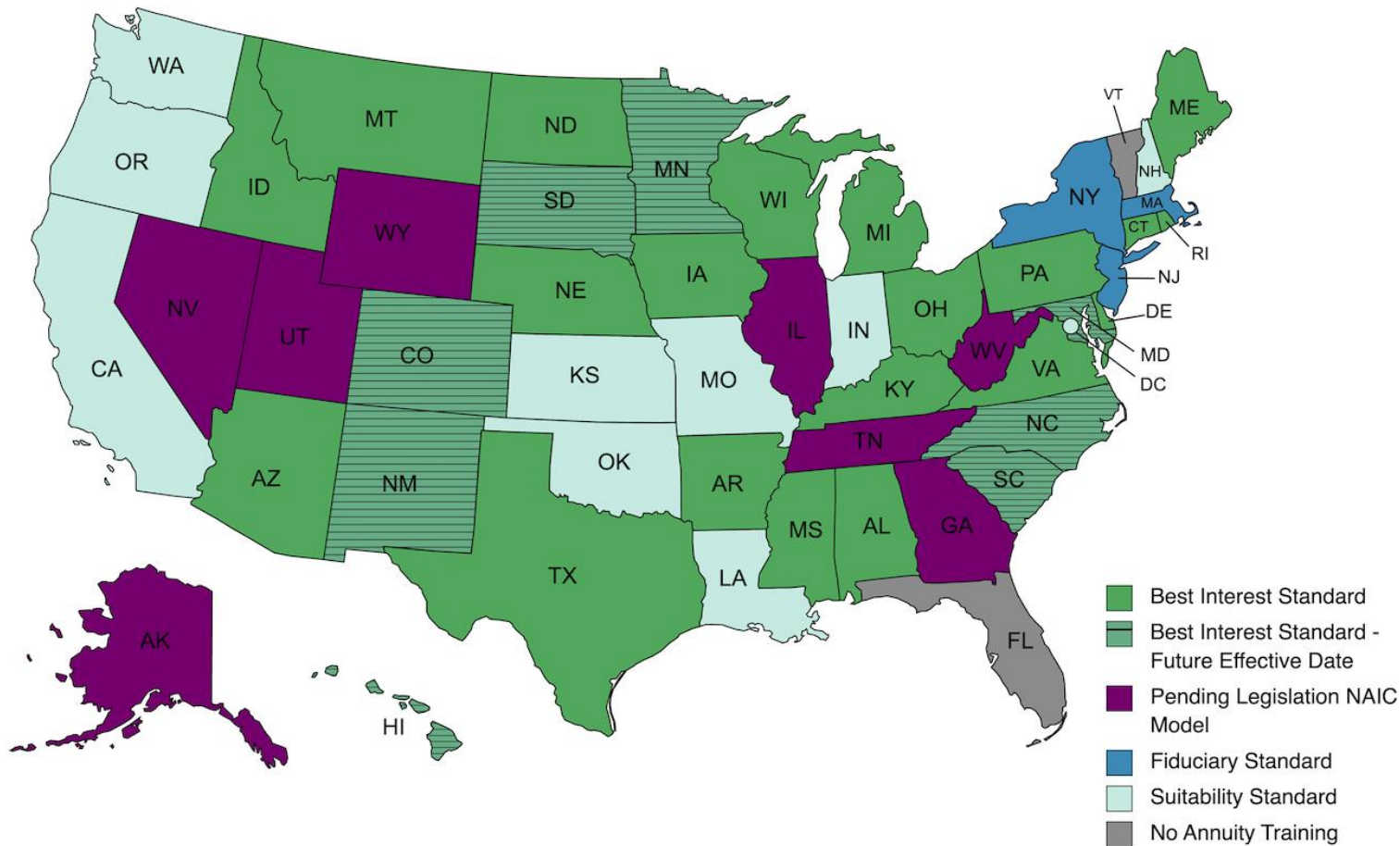
State Regulatory Update

September 2022

Overview

- NAIC Annuity Best Interest standard
- Privacy and security legislation
- State-by-state regulatory update

Best Interest Regulations

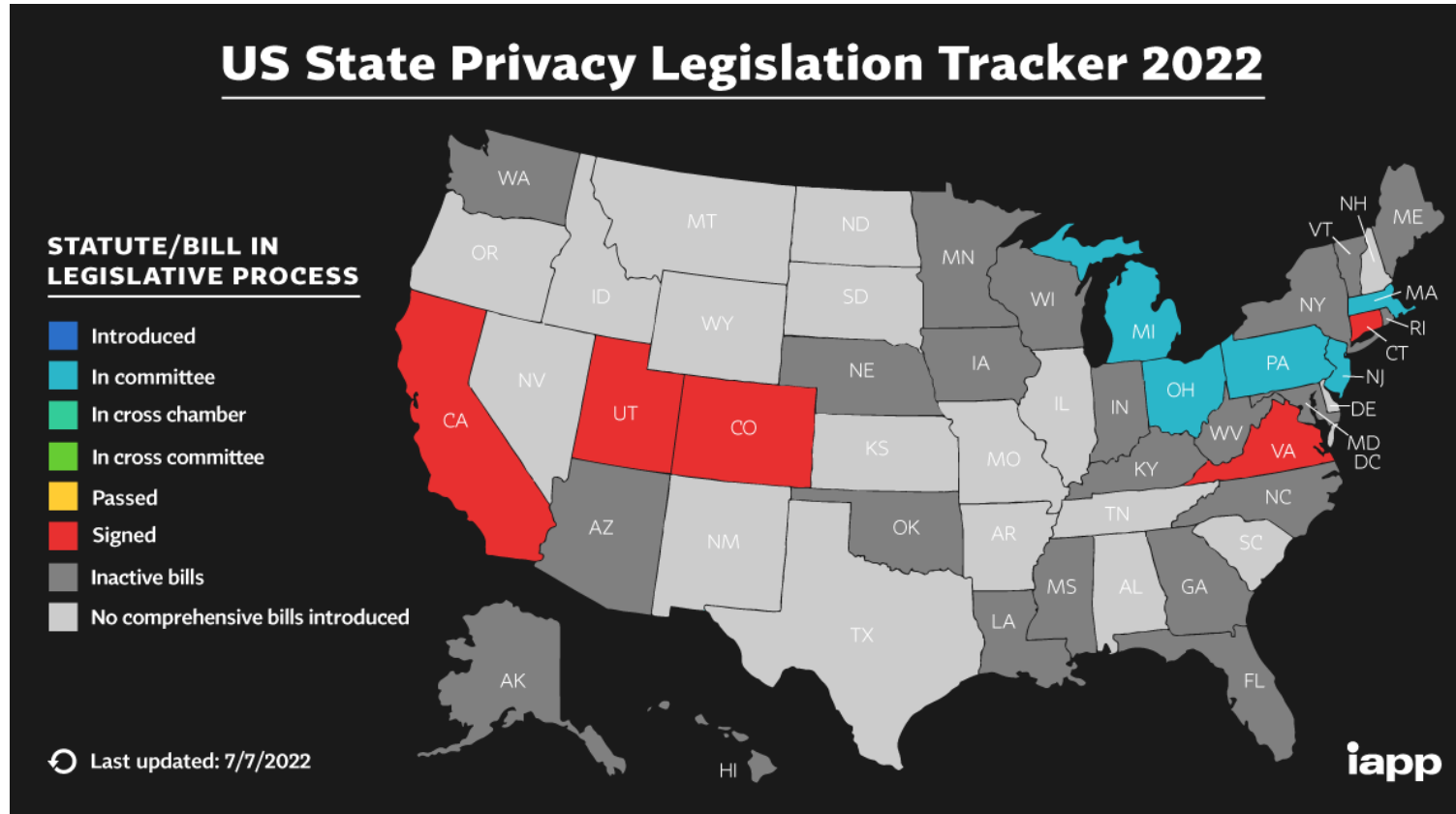


Last Updated: Aug 3, 2022

Key Highlights

- Revised NAIC Annuity Suitability model has been adopted by 27 states, 8 states have proposed legislation
- Current licensees can take a 1 or 4-hour Best Interest course to fulfill requirement
- Beware of grace period, reciprocity, and training requirement differences between states

Privacy and Security



CA and VA privacy acts become effective 1/1/2023

Key Highlights

- There is no uniform cybersecurity law in the US
- Agencies and carriers must maintain compliance with both Federal and State laws
- Continue working with legal counsel to navigate changes

Massachusetts



Back-office changes, license
and LOA changes in March

Key Highlights

- **License classes and LOA to align with PLMA**
 - Individual and Business Entity Insurance Producer license classes > Insurance Producer
 - Var Life & Var Annuity LOA > Variable Life & Variable Annuity
 - Travel, Accident & Baggage LOA > Travel
- **Appointments can now be submitted electronically through Sircon accounts**

California



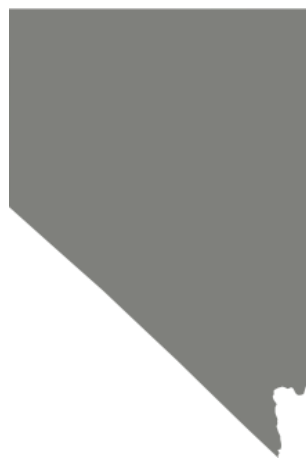
Adopted changes for license class and LOA in May

Key Highlights

Standardized license class and several LOA and appointment types to align with PLMA, including:

- Life
- Accident & Health or Sickness
- Variable Life and Variable Annuity
- Property
- Casualty
- Personal Lines
- Travel
- Car Rental (No Appointment)
- Administrator (No Appointment)

Nevada



Reinstatement period and fees added for resident individuals and business entities

Key Highlights

- Introduced a reinstatement period from 31-365 days after license expiration date
- Licensees can fulfill remaining requirements during this time
- Will need to pay the original license renewal fee in addition to a reinstatement fee
- After 365 days, the license will be permanently inactive and will need to start as a new licensee

Texas



Increasing Ethics requirement
and introducing electronic
reinstatement periods and
fees for Texas residents

Key Highlights

- Renewals on or after August 31, 2022 are now required to take an additional hour of Ethics
- On the horizon: Texas adjuster licenses available for electronic reinstatement through Sircon accounts
- Expected by EOY 2022, timing subject to change

Mississippi



Converting Travel LOA to
Limited Lines Travel Insurance
Producer License

Key Highlights

- Travel LOA > a new Limited Lines Travel Insurance Producer license class
- Effective Aug 5, 2022

State System Updates



Idaho

Changes to their back-office licensing system planned for September 14, 2022



Hawaii

Tentatively planned for Q4

Key Highlights

Idaho

- Combining the Resident and Non-Resident Insurance Producer license classes into a single class
- Updating some LOAs and appointment types to align with PLMA
- Will display Pharmacy Benefit Manager and Registered Third Party Administrator licensing information on PDB

Hawaii

- Stay tuned