

**Resolution in Support of Regulating the  
Use of Senior-Specific Certifications and Professional Designations**

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*Adopted by the NCOIL Executive Committee on February 26, 2012, and the Life Insurance & Financial Planning Committee on February 25, 2012. Sponsored by Sen. Carroll Leavell, NM*

WHEREAS, state legislators and regulators are focused on the protection of seniors and ensuring that they are not subject to misleading sales practices, including those involving the use of improper credentials and professional designations; and

WHEREAS, the National Association of Insurance Commissioners (NAIC) *Model Regulation on the Use of Senior-Specific Certifications and Professional Designations in the Sale of Life Insurance and Annuities* applies to the sale of insurance-related products; and

WHEREAS, the North American Securities Administrators Association (NASAA) *Model Rule on the Use of Senior-Specific Certifications and Professional Designations* covers sales of securities and other investment-oriented products; and

WHEREAS, these models impose requirements on producers and provide state regulators with the authority to take reasonable and appropriate corrective action when they identify producers using sales practices that are misleading to senior consumers; and

WHEREAS, the NAIC and NASAA models permit the use of designations that are issued by accredited educational institutions or meet the other standards of the rule and are accredited by the American National Standards Institute (ANSI), the National Commission for Certifying Agencies (NCCA) or any other accrediting organization approved by the regulator; and

WHEREAS, thirty (30) states and the District of Columbia have enacted the NAIC model regulation and thirty (30) states and the District of Columbia have enacted the NASAA model regulation and additional states have proposals pending or state-specific laws; and

WHEREAS, uniform state adoption, interpretation, and implementation of the NAIC and NASAA models would provide seniors a consistent level of protection and would help maintain the public's trust in insurance producers and advisors; and

WHEREAS, several consumer, insurance company, and producer organizations—including the AARP, American Council of Life Insurers (ACLI), Insured Retirement Institute (IRI), and the National Association of Insurance and Financial Advisors (NAIFA)—support the NAIC and NASAA models; and

WHEREAS, Section 989A of the 2010 Dodd-Frank Wall Street Reform and Consumer Protection Act requires the Consumer Financial Protection Bureau's Office of Financial Literacy to establish a program that could make grant funds available to states that have adopted the NAIC and NASAA model regulations on use of senior-specific certifications and professional designations as well as the NAIC *Suitability in Annuity Transactions Model Regulation*; and

NOW, THEREFORE, BE IT RESOLVED that NCOIL supports the NAIC *Model Regulation on the Use of Senior-Specific Certifications and Professional Designations in the Sale of Life Insurance and Annuities* and the NASAA *Model Rule on the Use of Senior-Specific Certifications and Professional Designations*; and

BE IT ALSO RESOLVED that NCOIL will encourage state regulators and legislatures to update existing unfair trade practices laws by enacting the NAIC *Model Regulation on the Use of Senior-Specific Certifications and Professional Designations in the Sale of Life Insurance and Annuities* and the NASAA *Model Rule on the Use of Senior-Specific Certifications and Professional Designations*; and

BE IT FURTHER RESOLVED that NCOIL encourages the Consumer Financial Protection Bureau to move forward pursuant to Section 989A of the Dodd-Frank Act with development of a grant program to help promote enhanced senior investor protections; and

BE IT FINALLY RESOLVED that a copy of this Resolution be sent to state legislative leaders, state regulators, governors, and the Consumer Financial Protection Bureau.