

**§ 6752. National Association of Registered Agents and Brokers**

**(a) Establishment**

There is established the National Association of Registered Agents and Brokers (hereafter in this subchapter referred to as the “Association”).

**(b) Status**

The Association shall—

- (1) be a nonprofit corporation;
- (2) have succession until dissolved by an Act of Congress;
- (3) not be an agent or instrumentality of the United States Government; and
- (4) except as otherwise provided in this Act, be subject to, and have all the powers conferred upon a nonprofit corporation by the District of Columbia Nonprofit Corporation Act (D.C. Code, sec. 29y-1001 et seq.).

(Pub. L. 106-102, title III, §322, Nov. 12, 1999, 113 Stat. 1424.)

REFERENCES IN TEXT

This Act, referred to in subsec. (b)(4), is Pub. L. 106-102, Nov. 12, 1999, 113 Stat. 1338, known as the Gramm-Leach-Bliley Act. For complete classification of this Act to the Code, see Short title of 1999 Amendment note set out under section 1811 of Title 12, Banks and Banking, and Tables.

The District of Columbia Nonprofit Corporation Act, referred to in subsec. (b)(4), is Pub. L. 87-569, Aug. 6, 1962, 76 Stat. 265, as amended, which is not classified to the Code.

**§ 6753. Purpose**

The purpose of the Association shall be to provide a mechanism through which uniform licensing, appointment, continuing education, and other insurance producer sales qualification requirements and conditions can be adopted and applied on a multistate basis, while preserving the right of States to license, supervise, and discipline insurance producers and to prescribe and enforce laws and regulations with regard to insurance-related consumer protection and unfair trade practices.

(Pub. L. 106-102, title III, §323, Nov. 12, 1999, 113 Stat. 1424.)

**§ 6754. Relationship to the Federal Government**

The Association shall be subject to the supervision and oversight of the NAIC.

(Pub. L. 106-102, title III, §324, Nov. 12, 1999, 113 Stat. 1424.)

**§ 6755. Membership**

**(a) Eligibility**

**(1) In general**

Any State-licensed insurance producer shall be eligible to become a member in the Association.

**(2) Ineligibility for suspension or revocation of license**

Notwithstanding paragraph (1), a State-licensed insurance producer shall not be eligible to become a member if a State insurance regulator has suspended or revoked such producer’s

license in that State during the 3-year period preceding the date on which such producer applies for membership.

**(3) Resumption of eligibility**

Paragraph (2) shall cease to apply to any insurance producer if—

- (A) the State insurance regulator renews the license of such producer in the State in which the license was suspended or revoked; or
- (B) the suspension or revocation is subsequently overturned.

**(b) Authority to establish membership criteria**

The Association shall have the authority to establish membership criteria that—

- (1) bear a reasonable relationship to the purposes for which the Association was established; and
- (2) do not unfairly limit the access of smaller agencies to the Association membership.

**(c) Establishment of classes and categories**

**(1) Classes of membership**

The Association may establish separate classes of membership, with separate criteria, if the Association reasonably determines that performance of different duties requires different levels of education, training, or experience.

**(2) Categories**

The Association may establish separate categories of membership for individuals and for other persons. The establishment of any such categories of membership shall be based either on the types of licensing categories that exist under State laws or on the aggregate amount of business handled by an insurance producer. No special categories of membership, and no distinct membership criteria, shall be established for members which are depository institutions or for their employees, agents, or affiliates.

**(d) Membership criteria**

**(1) In general**

The Association may establish criteria for membership which shall include standards for integrity, personal qualifications, education, training, and experience.

**(2) Minimum standard**

In establishing criteria under paragraph (1), the Association shall consider the highest levels of insurance producer qualifications established under the licensing laws of the States.

**(e) Effect of membership**

Membership in the Association shall entitle the member to licensure in each State for which the member pays the requisite fees, including licensing fees and, where applicable, bonding requirements, set by such State.

**(f) Annual renewal**

Membership in the Association shall be renewed on an annual basis.

**(g) Continuing education**

The Association shall establish, as a condition of membership, continuing education require-

ments which shall be comparable to or greater than the continuing education requirements under the licensing laws of a majority of the States.

**(h) Suspension and revocation**

The Association may—

(1) inspect and examine the records and offices of the members of the Association to determine compliance with the criteria for membership established by the Association; and

(2) suspend or revoke the membership of an insurance producer if—

(A) the producer fails to meet the applicable membership criteria of the Association; or

(B) the producer has been subject to disciplinary action pursuant to a final adjudicatory proceeding under the jurisdiction of a State insurance regulator, and the Association concludes that retention of membership in the Association would not be in the public interest.

**(i) Office of consumer complaints**

**(1) In general**

The Association shall establish an office of consumer complaints that shall—

(A) receive and investigate complaints from both consumers and State insurance regulators related to members of the Association; and

(B) recommend to the Association any disciplinary actions that the office considers appropriate, to the extent that any such recommendation is not inconsistent with State law.

**(2) Records and referrals**

The office of consumer complaints of the Association shall—

(A) maintain records of all complaints received in accordance with paragraph (1) and make such records available to the NAIC and to each State insurance regulator for the State of residence of the consumer who filed the complaint; and

(B) refer, when appropriate, any such complaint to any appropriate State insurance regulator.

**(3) Telephone and other access**

The office of consumer complaints shall maintain a toll-free telephone number for the purpose of this subsection and, as practicable, other alternative means of communication with consumers, such as an Internet home page.

(Pub. L. 106-102, title III, § 325, Nov. 12, 1999, 113 Stat. 1424.)

**§ 6756. Board of directors**

**(a) Establishment**

There is established the board of directors of the Association (hereafter in this subchapter referred to as the “Board”) for the purpose of governing and supervising the activities of the Association and the members of the Association.

**(b) Powers**

The Board shall have such powers and authority as may be specified in the bylaws of the Association.

**(c) Composition**

**(1) Members**

The Board shall be composed of 7 members appointed by the NAIC.

**(2) Requirement**

At least 4 of the members of the Board shall each have significant experience with the regulation of commercial lines of insurance in at least 1 of the 20 States in which the greatest total dollar amount of commercial-lines insurance is placed in the United States.

**(3) Initial Board membership**

**(A) In general**

If, by the end of the 2-year period beginning on November 12, 1999, the NAIC has not appointed the initial 7 members of the Board of the Association, the initial Board shall consist of the 7 State insurance regulators of the 7 States with the greatest total dollar amount of commercial-lines insurance in place as of the end of such period.

**(B) Alternate composition**

If any of the State insurance regulators described in subparagraph (A) declines to serve on the Board, the State insurance regulator with the next greatest total dollar amount of commercial-lines insurance in place, as determined by the NAIC as of the end of such period, shall serve as a member of the Board.

**(C) Inoperability**

If fewer than 7 State insurance regulators accept appointment to the Board, the Association shall be established without NAIC oversight pursuant to section 6762 of this title.

**(d) Terms**

The term of each director shall, after the initial appointment of the members of the Board, be for 3 years, with one-third of the directors to be appointed each year.

**(e) Board vacancies**

A vacancy on the Board shall be filled in the same manner as the original appointment of the initial Board for the remainder of the term of the vacating member.

**(f) Meetings**

The Board shall meet at the call of the chairperson, or as otherwise provided by the bylaws of the Association.

(Pub. L. 106-102, title III, § 326, Nov. 12, 1999, 113 Stat. 1426.)

**§ 6757. Officers**

**(a) In general**

**(1) Positions**

The officers of the Association shall consist of a chairperson and a vice chairperson of the Board, a president, secretary, and treasurer of the Association, and such other officers and assistant officers as may be deemed necessary.

**(2) Manner of selection**

Each officer of the Board and the Association shall be elected or appointed at such time