

**Provide an explanation for why you believe or do not believe that the occupational regulations overseen by your board have been effective:**

The business of insurance is a highly regulated industry. The existing statutory and regulatory requirements, as well as coordination with other states through the National Association of Insurance Commissioners (NAIC), has allowed the Department to effectively monitor the industry and remove bad actors. Insurance licensees are in a position of trust and have access to sensitive personal health and financial information about Nebraska consumers. As can be seen from the numbers provided, the limited number of license denials demonstrates a low barrier of entry into the profession. Further, the numbers of licenses revoked or given penalties is very low in comparison to the number of producers. While most insurance producers are of high integrity, the existing regulatory frame work gives the Department the necessary authority to remove bad actors from taking advantage of the sensitive information and position of power they have access to.

Generally speaking, insurance producers are first licensed in their home state and then apply for non-resident licenses in other states in which they do business. Due to telephonic call centers and especially the internet, it is common for producers to be licensed in several states at the same time. Due to this situation, all 50 states and five US territories are members of the NAIC. Membership in the NAIC allows for sharing of agent licensing records among the various state members. Such sharing allows the states to keep each other informed when an agent has violated a law or had an insurance license revoked in another state. This multi-state mechanism allows Nebraska to protect its citizens against rogue or dishonest producers.