

Consultant Licensing Survey

- * Many states have established a specific class of insurance professionals—commonly referred to as “insurance consultants,” “insurance counselors,” or “insurance advisers.” These professionals do not sell, solicit, or negotiate insurance coverage like licensed producers, but instead contract with consumers to advise, counsel, or consult on the advantages or disadvantages of a particular policy, associated coverages, or other insurance-related decisions.
- * To date, a slight majority of states have laws on the books establishing a regulatory framework surrounding the licensure, compensation, and regulation of such insurance consultants. While the definition of who qualifies as an insurance consultant is not uniform across these states, the adopted definitions typically cover professionals who:
 - For a fee, are engaged in the business of advising or counseling a consumer as to their insurance needs;
 - Are focused on and will be licensed as to a particular line of authority; and/or
 - Represent to the public that they give advice or information to policyholders by use of their titles (e.g., “insurance adviser,” “insurance specialist,” “insurance counselor,” etc.) in/on advertisements, cards, signs, circulars, letterhead, etc.

The remaining 24 states and the District of Columbia, however, seem to be silent with respect to how such consultants are treated.

- * Though many states vary in their regulation of insurance consultants (and the specific contours and details of their provisions), outlined below is a comprehensive overview of state laws and their treatment of insurance consultants, with a particular focus on:
 - Licensing obligations (i.e., whether the state requires consultants be licensed, how the state defines a consultant/the activities that are regulated, etc.).
 - Treatment of producers (i.e., the extent to which producers, agents, and brokers are exempt from the licensing requirement; restrictions on concurrently holding both a consultant license and a producer license; and any other limitations that may apply).
 - Consultant compensation (i.e., any restrictions related to charging a fee for consulting services, disclosure/written agreement obligations, etc.).
- * The below survey outlines the varying state approaches to insurance consultant licensure and regulation via a comparison of existing statutory text, associated regulatory provisions, and interpretive administrative guidance with respect to these specific provisions.

We envision this survey to be an evergreen document. As updates are put forth—whether through legislative or administrative action—we will update the document and provide a brief overview of the relevant changes in this top box in *bold and italicized blue text*. We ask, therefore, that you continuously review the document for updates to any statutes, regulations, bulletins, or other guidance documents. That said, if you see laws enacted, regulations finalized, bulletins issued, or enforcement actions undertaken that are not reflected in this survey, please let us know.

<i>State</i>	<i>Licensing</i>	<i>Treatment of Producers</i>	<i>Consultant Compensation</i>
<i>Alabama</i>			
<i>Alaska</i>			
<i>Arizona</i>			
<i>Arkansas</i>	<p><i>Arkansas imposes licensure obligations on insurance consultants.</i> ARK. STAT. §§ 23-64-201, 23-64-210.</p> <p>Covers individuals, firms, LLCs, or corporations which—for a fee—“advise or counsel anyone as to his or her insurance needs and coverages under any insurance policy or contract.” ARK. STAT. § 23-64-102(5)(A).</p>	<p><i>Arkansas does <u>not</u> exempt producers from being licensed as consultants.</i> ARK. STAT. §§ 23-64-201, 23-64-202; Instructions for Consultant License.</p>	N/A
<i>California</i>			
<i>Colorado</i>			
<i>Connecticut</i>	<p><i>Connecticut imposes licensure obligations on certified insurance consultants.</i> CONN. GEN. STAT. ANN. §§ 38a-701c, 38a-769, 38a-786.</p> <p>Covers a person who—for a fee—either:</p> <ul style="list-style-type: none"> Examines a policy for the purpose of giving advice or information about the terms/conditions of a policy <u>or</u> the advisability of changing, accepting, replacing, etc. a policy; <u>or</u> In or on advertisements, use the title “certified insurance consultant” (or certified insurance specialist, certified insurance counselor, etc.). CONN. GEN. STAT. ANN. § 38a-731. 	<p><i>Connecticut generally does <u>not</u> exempt producers from being licensed as certified insurance consultants.</i> CONN. GEN. STAT. ANN. § 38a-734.</p>	<p>Requires contracts or agreements with certified insurance consultants to specify the amount of the fee paid or payable by such person <u>and</u> the services to be rendered by the consultant. CONN. GEN. STAT. ANN. §§ 38a-732, 378a-733.</p> <p>Prohibits persons acting as certified insurance consultants from receiving part of any commission or compensation paid by an insurer or producer in connection with the sale or writing of insurance. CONN. GEN. STAT. ANN. § 38a-734.</p>

<i>State</i>	<i>Licensing</i>	<i>Treatment of Producers</i>	<i>Consultant Compensation</i>
<i>Delaware</i>	<i>Delaware no longer issues licenses to consultants.</i> Advises that if a person is acting as a consultant, they may obtain a producer license. Producer Licensing FAQs .	N/A	Prohibits a producer from acting as <u>both</u> an agent of the insured <u>and</u> charging the consumer a consultant fee in addition to commissions earned on policies. Producer Licensing FAQs .
<i>D.C.</i>			
<i>Florida</i>			
<i>Georgia</i>	<p><i>Georgia imposes licensure obligations on counselors.</i> GA. CODE ANN. §§ 33-23-4, 33-23-7; GA. ADMIN. CODE §§ 120-2-3-.06(b), 120-2-3-.28. Requires consultants to be licensed as to a particular line of authority (e.g., property and casualty counselor; life, accident, and sickness counselor; etc.). GA. ADMIN. CODE § 120-2-3-.46.</p> <p>Covers individuals who engage in the business of counseling, advising, or rendering opinions as to the:</p> <ul style="list-style-type: none"> • Benefits promised under any contract of insurance issued/offered by any insurer; <u>or</u> • Terms, value, effect, advantages, or disadvantages under the contract of insurance, other than an actuary or consultant advising insurers. GA. CODE ANN. § 33-23-1(a)(6). 	<p><i>Georgia does <u>not</u> exempt producers from being licensed as certified insurance consultants.</i> GA. CODE ANN. §§ 33-23-1(b), 33-23-46.</p>	<p>When receiving a fee, commission, or other compensation for counseling services, prohibits the <i>counselor</i> from receiving any compensation from any other source on/relating to the same <i>transaction</i> (i.e., coverage or services in the same line or subline of insurance). GA. CODE ANN. §§ 33-23-1(a)(6), 33-23-1.1.</p> <p>Provides that additional ancillary services (e.g., risk identification, loss measurement, gathering and analysis of loss information, setting of risk retention levels, etc.) for commercial risks in excess of acquisition services will be considered a separate transaction when such ancillary services are disclosed in writing to and approved in advance by the insured. GA. CODE ANN. § 33-23-1.1.</p> <p>Where a <i>producer</i> licensed as a counselor receives compensation from/charges a fee to the customer, prohibits the producer from accepting/receiving any compensation from an insurer or other third party for placement of insurance for that customer, <u>unless</u> the producer has—prior to the customer’s purchase of insurance:</p> <ul style="list-style-type: none"> • Obtained the customer’s documented acknowledgment that the producer will receive such compensation; <u>and</u> • Disclosed the amount of compensation from the insurer or other third party for the placement. GA. CODE ANN. § 33-23-46(b).
<i>Hawaii</i>			

<i>State</i>	<i>Licensing</i>	<i>Treatment of Producers</i>	<i>Consultant Compensation</i>
<i>Idaho</i>			
<i>Illinois</i>			
<i>Indiana</i>	<p><i>Indiana imposes licensure obligations on consultants.</i> IND. CODE § 27-1-15.6-23.</p> <p>Covers a person who holds themselves out to the public as being engaged in the business of offering <u>or</u>—for a fee—offers “any advice, counsel, opinion, or service with respect to the benefits, advantages, or disadvantages promised under any policy of insurance that could be issued in Indiana.” IND. CODE § 27-1-15.6-2(4).</p>	<p><i>Indiana does <u>not</u> exempt producers from being licensed as consultants.</i></p> <p>Restricts individuals and corporations from concurrently holding a consultant license and an insurance producer’s license, surplus lines producer’s license, or limited lines producer’s license at any time (i.e., once licensed as a consultant, a person may not continue to hold a producer license). IND. CODE § 27-1-15.6-23(a), (d); Indiana Licensing Guidelines.</p> <p>Prohibits a consultant from employing, being employed by, being in partnership with, or receiving any remuneration whatsoever from a licensed producer, surplus lines producer, or limited lines producer, <u>except</u> that a consultant may be compensated by an insurer for providing consulting services to the insurer. IND. CODE § 27-1-15.6-23(e).</p>	<p>Requires consultants to provide consultant services as outlined in a written agreement that outlines the nature of the work to be performed and the method of compensation. IND. CODE § 27-1-15.6-23(c).</p> <p>Prohibits a producer from receiving compensation for the sale, solicitation, negotiation, or renewal of a policy issued to a person or entity for whom the producer—for a fee—acts as a consultant for that policy, <u>unless</u> the producer:</p> <ul style="list-style-type: none"> • Provides a written agreement; <u>and</u> • Discloses to the insured that the producer will receive compensation for the sale of the policy <u>and</u> the method of compensation <u>prior to</u> the sale, solicitation, negotiation, or renewal of the policy. IND. CODE § 27-1-15.6-22. <p>Applies additional restrictions to fees charged by commercial property and casualty producers. IND. CODE § 27-1-15.6-24.</p>
<i>Iowa</i>			
<i>Kansas</i>			

<p>Kentucky</p>	<p><i>Kentucky imposes licensure obligations on consultants.</i> KY. REV. STAT. §§ 304.9-080, 304.9-320. Requires consultants to be licensed as to a particular line of authority (e.g., property and casualty consultants, life and health consultant, etc.). KY. REV. STAT. § 304.9-040.</p> <p>Covers a person who—as an independent contractor in relation to a client and for a fee/compensation other than from an insurer—advises any person relative to coverage, advisability rights, or interests under an insurance contract. KY. REV. STAT. § 304.9-040.</p>	<p><i>Kentucky does not exempt agents from being licensed as consultants.</i> KY. REV. STAT. § 304.9-350.</p> <p>Prohibits a person being dually licensed as a consultant and an agent with regards to any risk that is the subject of a consulting contract. KY. REV. STAT. § 304.9-350(7).</p> <p>Requires an individual or business entity that is dually licensed as a consultant and an agent to not sell, solicit, or negotiate insurance—or otherwise act as an agent—during the term of the written consulting contract <u>or</u> within 12 months after the expiration of the consulting contract. KY. REV. STAT. § 304.9-350(2)(b).</p> <p>Prohibits an agent that has a financial or business ownership interest in/affiliation with a consultant from selling, soliciting, or negotiating insurance with respect to the insurance risk that was the subject of the consulting contract during the term of the written consulting contract <u>or</u> within 12 months after the expiration of the consulting contract. KY. REV. STAT. § 304.9-350(2)(c).</p>	<p>Prohibits a consultant who is also licensed as an agent from receiving/sharing in both a fee and other compensation paid from an insured or an insurer with respect to an insurance contract procured, renewed, continued, modified, terminated, or otherwise disposed of pursuant to any recommendation given or transaction engaged in. KY. REV. STAT. § 304.9-350(1).</p> <p>If the consultant/agent has received any fee, commission, or compensation from the insured (or any person other than the insurer), provides that it will conclusively be presumed that the consultant/agent was acting as a consultant with respect such transaction. KY. REV. STAT. § 304.9-350(2)(a).</p> <p>Prior to the provision of consultant’s services, requires a consultant to disclose the following information in a written contract:</p> <ul style="list-style-type: none"> • The services to be provided by the consultant; • The beginning and ending date of the agreement; • Any insurance to which the contract for consultant’s services applies; • The arrangement for compensation of the consultant (e.g., flat rate, hourly, etc.); • Whether the consultant is dually licensed as an agent; and • Whether the consultant has a financial or business ownership interest in/affiliation with any business entity or insurer. KY. REV. STAT. § 304.9-350(4). <p>Imposes other restrictions on consultants who receive compensation as a result of transactions with pensions <u>or</u> have a majority interest in an authorized insurer. KY. REV. STAT. § 304.9-350(5)-(6).</p>
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<i>State</i>	<i>Licensing</i>	<i>Treatment of Producers</i>	<i>Consultant Compensation</i>
<i>Louisiana</i>	<p><i>Louisiana imposes licensure obligations on insurance consultants.</i> LA. REV. STAT. §§ 22:1808.1, 22:1808.3. Requires consultants to be licensed as to a particular line of authority (e.g., life, health and accident, property, etc.). LA. REV. STAT. § 22:1808.4.</p> <p>Covers any person or entity that offers—for a fee or other valuable consideration—any advice, counsel, opinion, or related services with respect to risk evaluation or management, the benefits, coverages, exclusions, or provisions under any policy (or involving the advantages or disadvantages of any such policy or any formal plan of managing risk). LA. REV. STAT. § 22:1808.1.</p>	<p><i>Louisiana does <u>not</u> exempt agents from being licensed as consultants.</i> LA. REV. STAT. § 22:1808.1.</p> <p>Allows a person to be licensed as both a producer and a consultant; however, a consultant who is also licensed as a producer may not sell, solicit, or negotiate contracts of insurance and may not receive directly or indirectly any compensation for the sale of insurance coverages which were the subject of a consulting contract during the term of the consulting contract. LA. REV. STAT. § 22:1808.12; <u>Consultant Licensing Requirements</u>.</p> <p>Prohibits an agent that has a financial or business ownership interest in/affiliation with a consultant from selling, soliciting, or negotiating insurance with respect to the insurance risks of the insured. LA. REV. STAT. § 22:1808.12.</p>	<p>Prior to providing consulting services, requires insurance consultants to disclose the following in a written contract:</p> <ul style="list-style-type: none"> • The services to be provided by the consultant; • The beginning and ending date of the agreement. • Any insurance to which the contract for consulting services applies; • The arrangements for compensation of the consultant (e.g., flat rate, hourly, other valuable consideration, etc.); • Whether the consultant is dually licensed as an insurance producer. • Whether the consultant has any financial or business interest in or affiliation with any insurance producer, broker, or insurance company involved within the scope of the consulting work. LA. REV. STAT. § 22:1808.11. <p>Prohibits an insurance consultant from accepting any commission, service fee, brokerage, or other valuable consideration for selling, soliciting, or negotiating insurance. LA. REV. STAT. §§ 22:1808.9, 22:1808.12.</p> <p>Prohibits producers from paying any money, commission, or brokerage to any person or business entity acting as an insurance consultant. LA. REV. STAT. § 22:1808.12.</p>

<i>State</i>	<i>Licensing</i>	<i>Treatment of Producers</i>	<i>Consultant Compensation</i>
<i>Maine</i>	<p><i>Maine imposes licensure obligations on insurance consultants.</i> ME. REV. STAT. tit. 24-A, §§ 1411, 1462. Requires consultants to be licensed as to a particular line of authority (e.g., property and casualty, life and health, etc.). ME. REV. STAT. tit. 24-A, § 1461.</p> <p>Covers engagement in the business of offering any advice, counsel, opinion, or similar service with respect to the benefits, advantages, or disadvantages under any policy of insurance issued in Maine. ME. REV. STAT. tit. 24-A, §§ 1402, 1411.</p>	<p><i>Maine does <u>not</u> exempt producers from being licensed as consultants.</i></p>	<p>Requires consultants to enter into a written contract with their clients that includes the amount and basis of any consulting fee and the duration of employment. ME. REV. STAT. tit. 24-A, § 1465.</p> <p>Prohibits property and casualty consultants from charging a consultant fee and receiving/sharing in a commission for the sale of insurance as a producer on any policy, <u>unless</u> the advice given by the producer occurs at least 12 months before or after the period of employment as a consultant. ME. REV. STAT. tit. 24-A, § 1466(1).</p> <p>Allows a life and health consultant to charge a consulting fee and receive commissions for the sale of insurance as a producer, <u>if</u> both the consulting fee and the insurance commissions are provided for in a written agreement. ME. REV. STAT. tit. 24-A, § 1466(2).</p>

<i>State</i>	<i>Licensing</i>	<i>Treatment of Producers</i>	<i>Consultant Compensation</i>
<i>Maryland</i>	<p><i>Maryland imposes licensure obligations on advisers.</i> MD. INS. CODE § 10-203.</p> <p>Covers a person who—for compensation—either:</p> <ul style="list-style-type: none"> • Examines a policy for the purpose of giving advice or information about the terms/conditions of a policy <u>or</u> the advisability of changing, accepting, replacing, etc. a policy; <u>or</u> • Represents to the public that they give advice or information to holders of policies by use of the title “insurance adviser” (or insurance specialist, insurance counselor, insurance analyst, etc.) in/on advertisements, cards, signs, circulars, letterhead, or elsewhere; <u>or</u> in any other manner in which public announcements are made. MD. INS. CODE § 10-201(b). 	<p><i>Maryland exempts producers from being licensed as advisers in certain circumstances.</i></p> <p>Provides that producers who—while acting for an insurer—use the title of “insurance adviser” (or other similar title) in close conjunction with all or part of the name of the authorized insurer need <u>not</u> obtain a license as an adviser, provided the producer certifies to the Commissioner that the producer has completed successfully a course submitted to/approved by the Commissioner. MD. INS. CODE § 10-203(b).</p>	<p>Prohibits an adviser from receiving compensation from an insurer/producer for the sale or placement of insurance. MD. INS. CODE § 10-208.</p> <p>Requires an agreement with an adviser to be in writing and plainly state the amount of the fee paid and the services to be performed. MD. INS. CODE § 10-215.</p>

<i>State</i>	<i>Licensing</i>	<i>Treatment of Producers</i>	<i>Consultant Compensation</i>
<i>Massachusetts</i>	<p><i>Massachusetts imposes licensure obligations on insurance advisers.</i> MASS. GEN. L. ch. 175, § 177B.</p> <p>Covers a person who—for a fee—either:</p> <ul style="list-style-type: none"> • Offers to examine any policy of insurance for the purpose of giving any advice, counsel, recommendation, or information in respect to the terms, conditions, benefits, coverage, or premium of any such policy <u>or</u> in respect to the expediency or advisability of changing, accepting, replacing, etc. a policy; <u>or</u> • Uses the title “insurance adviser” (or insurance specialist, insurance counselor, insurance analyst, etc.) in/on advertisements, cards, signs, circulars, letterhead, or elsewhere; <u>or</u> in any other manner in which public announcements are made. MASS. GEN. L. ch. 175, § 177A. 	<p><i>Massachusetts exempts agents and brokers from being licensed as advisers.</i> MASS. GEN. L. ch. 175, § 177A.</p>	<p>Requires insurance advisers to enter into a written contract/agreement that plainly specifies the amount of the fee to be paid and the services to be rendered by the adviser. MASS. GEN. L. ch. 175, § 177C.</p> <p>Except for transactions subject to a formal agreement, requires insurance advisers who furnish advice/counsel, make recommendations, etc. must give to the recipient a statement in writing specifying the advice, counsel, recommendation, or information given <u>and</u> a receipt for the fee paid. MASS. GEN. L. ch. 175, § 177D.</p>

<i>State</i>	<i>Licensing</i>	<i>Treatment of Producers</i>	<i>Consultant Compensation</i>
<i>Michigan</i>	<p><i>Michigan imposes licensure obligations on insurance counselors.</i> MICH. COMP. L §§ 500.1232, 500.1234.</p> <p>Covers a person who:</p> <ul style="list-style-type: none"> • Audits or abstracts policies of insurance. • Provides advice, counsel, or opinion with respect to benefits promised, coverage afforded, terms, value, effect, advantages, or disadvantages of a policy of insurance or annuity. • Advertises, solicits business, or holds themselves out to the public as an insurance counselor (or uses terms such as “consultant,” “consulting services,” etc.). <p>Prohibits a person <u>other than</u> a licensed counselor from using terms such as consultant, consulting services, or any other language in a way which implies that they are a licensed insurance counselor. MICH. COMP. L § 500.1232.</p>	<p><i>Michigan exempts agents and brokers from being licensed as counselors</i> insofar as Michigan does <u>not</u> prohibit the customary advice offered by a licensed insurance agent. MICH. COMP. L § 500.1232.</p>	<p>In advance of rendering any counseling services, requires the counselor to prepare a written agreement that:</p> <ul style="list-style-type: none"> • Outlines the nature of the work to be performed by the counselor; • States the fee for the work; • States that the counselor’s fee will not be waived under any circumstances; and • Discloses that the counselor will receive a commission from the insurer on any insurance placed by the counselor acting as an insurance agent. MICH. COMP. L § 500.1236.
<i>Minnesota</i>			
<i>Mississippi</i>			
<i>Missouri</i>			

<i>State</i>	<i>Licensing</i>	<i>Treatment of Producers</i>	<i>Consultant Compensation</i>
<i>Montana</i>	<p><i>Montana imposes licensure obligations on insurance consultants.</i> MT. CODE ANN. § 33-17-502.</p> <p>Covers a person who:</p> <ul style="list-style-type: none"> • Identifies or represents to the public that they are an insurance consultant; • Receives a fee for examining, appraising, reviewing, or evaluating any insurance policy; or • Makes recommendations or gives advice with regard to any insurance policy. MT. CODE ANN. § 33-17-502. 	<p><i>Montana does <u>not</u> exempt producers from being licensed as consultants.</i> MT. CODE ANN. § 33-17-502.</p>	<p>Prohibits insurance consultants from receiving valuable consideration for the sale or service of a line of insurance, <u>if</u> the consultant has received compensation from the client for consulting services on the same line of insurance sold or serviced within the preceding 12 months. MT. CODE ANN. § 33-17-512.</p> <p>Requires an insurance consultant’s compensation be based upon a written memorandum that includes the consultant’s Montana insurance license number, specifies/clearly defines services to be provided, and details the amount/extent of compensation. MT. CODE ANN. § 33-17-511.</p>

<i>State</i>	<i>Licensing</i>	<i>Treatment of Producers</i>	<i>Consultant Compensation</i>
<i>Nebraska</i>	<p><i>Nebraska imposes licensure obligations on insurance consultants.</i> NEB. REV. STAT. §§ 44-2607, 44-2614. Requires consultants to be licensed as to a particular line of authority (e.g., property and casualty; life, health, and annuities). NEB. REV. STAT. § 44-2621.</p> <p>Covers any person who—for a fee—engages in the business of offering to the public any advice, counsel, opinion, or service with respect to:</p> <ul style="list-style-type: none"> • Insurable risks; • The benefits, coverages, or provisions under any policy of insurance that could be issued in this state; or • The advantages or disadvantages of any such policy of insurance, or any formal plan of managing pure risk. NEB. REV. STAT. § 44-2607. <p>Prohibits a person from using the title insurance consultant or any similar title indicating that they are engaged in the business of offering to the public any advice, counsel, opinion, or service that would trigger registration as an insurance consultant without being licensed as an insurance consultant. NEB. REV. STAT. § 44-2614.</p>	<p><i>Nebraska exempts agents from being licensed as insurance consultants in certain circumstances.</i></p> <p>Provides that a person will not be deemed to be acting as an insurance consultant if a licensed agent gives advice incidental to the normal course of the agent’s insurance business and does not charge a fee other than commissions received from the insurance written. NEB. REV. STAT. § 44-2616.</p>	<p>Requires an agreement with an insurance consultant to define the subject matter of the consulting services, outline the nature of the work to be performed by the consultant, and state the fee for the work. NEB. REV. STAT. § 44-2630.</p> <p>Prohibits a consultant from receiving any part of a commission or compensation paid by an insurer or agent in connection with the sale or writing of any insurance which is within the subject matter of any consulting service performed prior to the sale of insurance and for which such consultant has contracted to receive a fee. NEB. REV. STAT. § 44-2631; Notice – Collection of Insurance Consultant, Agent or Broker Fees or “Commissions” by Insurers.</p>

<i>State</i>	<i>Licensing</i>	<i>Treatment of Producers</i>	<i>Consultant Compensation</i>
<i>Nevada</i>	<p><i>Nevada imposes licensure obligations on insurance consultants.</i> NEV. REV. STAT. § 683C.020.</p> <p>Covers a person who—for a fee—holds themselves out to the public as engaged in the business of offering advice, counsel, opinion, or service with respect to the benefits, advantages, or disadvantages promised pursuant to any policy of insurance that could be issued in Nevada. NEV. REV. STAT. § 683C.010.</p>	<p><i>Nevada exempts licensed producers of insurance and brokers from being licensed as insurance consultants.</i> NEV. REV. STAT. § 683C.020.</p> <p>Prohibits insurance consultants from concurrently holding a license as a producer of insurance. NEV. REV. STAT. § 683C.070.</p> <p>Prohibits insurance consultants from employing, being employed by, being in partnership with, or receive any remuneration whatsoever from any licensed producer, surplus lines broker, or insurer. NEV. REV. STAT. § 683C.080.</p>	<p>In advance of rendering any service, requires the insurance consultant to prepare a written agreement that outlines the professional services to be provided and states the fee for those services. NEV. REV. STAT. § 683C.060.</p>

<i>State</i>	<i>Licensing</i>	<i>Treatment of Producers</i>	<i>Consultant Compensation</i>
<i>New Hampshire</i>	<p><i>New Hampshire imposes licensure obligations on insurance consultants.</i> N.H. REV. STAT. § 405:44-b.</p> <p>Covers persons, corporations, partnerships, or associations that hold valid producer licenses and engage in the following acts:</p> <ul style="list-style-type: none"> • Uses the title “insurance consultant” (or insurance adviser, insurance specialist, insurance counselor, insurance analyst, policyholders’ advisor, policyholders’ counselor, or any other similar title) in/on advertisements, cards, signs, circulars, letterhead, or elsewhere; <u>or</u> in any other manner in which public announcements are made; <u>or</u> • For a fee, offers to examine any policy of insurance for the purpose of giving any advice, counsel, recommendation, or information in respect to the terms, conditions, benefits, coverage, or premium of any such policy <u>or</u> in respect to the expediency or advisability of changing, accepting, replacing, etc. a policy. N.H. REV. STAT. § 405:44-b. 	<p><i>New Hampshire exempts producers from being licensed as insurance consultants.</i> N.H. REV. STAT. § 405:44-a. To engage in consulting services, requires the person, corporation, partnership, or association to hold a valid producer license. N.H. REV. STAT. §§ 405:44-a, 405:44-b.</p>	<p>Requires contracts/agreements with insurance consultants to be in writing <u>and</u> plainly specify the amount of the fee paid/payable by such person and the services to be rendered by such insurance consultant. N.H. REV. STAT. § 405:44-d.</p> <p>Except for transactions subject to a formal agreement, requires insurance consultants who furnish advice/counsel as consultants, make any recommendations, or give any information to give to the recipient a statement in writing specifying the advice, counsel, recommendation, or information given, and a receipt/statement for the fee. N.H. REV. STAT. § 405:44-e.</p> <p>Requires insurance consultants to provide to current and prospective clients a written disclosure statement containing information relative to his background and business practices, including:</p> <ul style="list-style-type: none"> • The types of clients serviced by the consultant. • The nature and cost of services provided. • The methods of analysis, sources of information and investment strategies utilized. • The educational background of the consultant and their employees and the business standards to which they adhere. • Any other business activities or professions in which the consultant is engaged. • Any ownership interest the consultant may have in entities offering products which may be recommended by the consultant. • Whether there are any sales fees and commissions which the consultant may receive for recommending particular insurance products to clients. • Any other information the Commissioner deems appropriate. N.H. REV. STAT. § 405:44-f.
<i>New Jersey</i>			

<i>State</i>	<i>Licensing</i>	<i>Treatment of Producers</i>	<i>Consultant Compensation</i>
<i>New Mexico</i>	<p><i>New Mexico imposes licensure obligations on insurance consultants.</i> N.M. STAT. ANN. § 59A-11A-1.</p> <p>Covers who a person who:</p> <ul style="list-style-type: none"> • For a fee, offers to examine any policy of insurance for the purpose of giving any advice, counsel, recommendation, or information in respect to the terms, conditions, benefits, coverage, or premium of any such policy <u>or</u> in respect to the expediency or advisability of changing, accepting, replacing, etc. a policy; or • Uses the title “insurance consultant” (or insurance advisor, insurance specialist, insurance counselor, insurance analyst, policyholders’ advisor, policyholders’ counselor, or any other similar title) in/on advertisements, cards, signs, circulars, letterhead, or elsewhere; <u>or</u> in any other manner in which public announcements are made. N.M. STAT. ANN. § 59A-11A-1. 	<p><i>New Mexico exempts producers from being licensed as insurance consultants in certain circumstances.</i> Does <u>not</u> prohibit the customary advice offered by a licensed insurance agent. N.M. STAT. ANN. § 59A-11A-2.</p>	<p>Prohibits insurance consultants serving any person, firm, association, organization, or corporation <u>not</u> engaged in the insurance business from receiving any part of any commission paid by an insurer/insurance producer in connection with the sale or writing of any insurance that is within the subject matter of such service. N.M. STAT. ANN. § 59A-11A-7.</p> <p>Requires contracts/agreements with insurance consultants for any advice, counsel, recommendation, or other information to be in writing <u>and</u> plainly specify the amount of the fee paid/payable by the person to be charged and the services to be rendered by the insurance consultant. N.M. STAT. ANN. § 59A-11A-5.</p> <p>Except for transactions subject to a formal agreement, requires insurance consultants who furnish advice/counsel as consultants, make any recommendations, or give any information to give to the recipient a statement in writing specifying the advice, counsel, recommendation, or information given, and a receipt/statement for the fee. N.M. STAT. ANN. § 59A-11A-6.</p>

<i>State</i>	<i>Licensing</i>	<i>Treatment of Producers</i>	<i>Consultant Compensation</i>
<i>New York</i>	<p><i>New York imposes licensure obligations on insurance consultants.</i> N.Y. INS. L. §§ 2102, 2107. Requires consultants to be licensed as to a particular line of authority (e.g., life insurance, general insurance). N.Y. INS. L. § 2107.</p> <p>Covers the provision of expert and professional advice on insurance. Consultant License.</p>	<p><i>New York exempts insurance agents and brokers from being licensed as consultants.</i> Does not require agents and brokers to become separately licensed as consultants to provide consulting services. But prohibits a licensed consultant from <u>not</u> selling insurance without being separately licensed as an agent or broker. Office of General Counsel Opinion No. 04-04-04.</p>	<p>Prohibits a consultant from receiving any fee, commission, or thing of value for examining, appraising, reviewing, or evaluating any insurance policy or for making recommendations <u>or</u> giving advice with regard to such a policy, <u>unless</u> such compensation is based on a written memorandum signed by the party to be charged and specifying/clearly defining the amount or extent of such compensation. N.Y. INS. L. § 2119.</p> <p>Similarly, prohibits a consultant from receiving compensation as a result of the sale of insurance to any person for whom the consultant has performed any related consulting services for which a fee has been received within the preceding 12 months, <u>unless</u> such compensation is provided for in the memorandum or contract. N.Y. INS. L. § 2119. Note, however, does <u>not</u> prohibit the offset of payable compensation by compensation otherwise payable to such consultant as agent or broker as a result of the sale of insurance. N.Y. INS. L. § 2119.</p>
<i>North Carolina</i>			

<i>State</i>	<i>Licensing</i>	<i>Treatment of Producers</i>	<i>Consultant Compensation</i>
<i>North Dakota</i>	<p><i>North Dakota imposes licensure obligations on insurance consultants.</i> N.D. CENT. CODE § 26.1-26-03.</p> <p>Covers a person that—for a fee—holds itself out to the public as engaged in the business of offering any advice, counsel, opinion, or service with respect to the benefits, advantages, or disadvantages promised under any insurance policy that could be issued in North Dakota. N.D. CENT. CODE § 26.1-26-02.</p>	<p><i>North Dakota exempts licensed insurance producers from being licensed as insurance consultants.</i> N.D. CENT. CODE § 26.1-26-10.</p> <p>Prohibits insurance consultants from concurrently holding a license as an insurance producer (i.e., cannot concurrently sell, solicit, or negotiate insurance in North Dakota). N.D. CENT. CODE § 26.1-26-41.</p> <p>Prohibits insurance consultants from employing, being employed by, being in partnership with, or receive any remuneration whatsoever from any licensed producer, surplus lines broker, or insurer. N.D. CENT. CODE § 26.1-26-41.</p>	<p>Before rendering any service, requires the insurance consultant to prepare a written agreement that outlines the nature of the work to be performed by the consultant and states the fee for the work. N.D. CENT. CODE § 26.1-26-35.</p>
<i>Ohio</i>			

<i>State</i>	<i>Licensing</i>	<i>Treatment of Producers</i>	<i>Consultant Compensation</i>
<i>Oklahoma</i>	<p><i>Oklahoma imposes licensure obligations on insurance consultants.</i> OKLA. STAT. ANN. tit. 36, § 1435.30.</p> <p>An individual or legal entity who—for a fee—is held out to the public as engaged in the business of offering any advice, counsel, opinion, or service with respect to the benefits, advantages, or disadvantages promised under any policy of insurance that could be issued or delivered in Oklahoma. OKLA. STAT. ANN. tit. 36, § 1435.2.</p>	<p><i>Oklahoma exempts duly licensed insurance producers from being licensed as insurance consultants.</i> OKLA. STAT. ANN. tit. 36, § 1435.30.</p> <p>Prohibits an individual from concurrently holding a consultant’s license and a license as an insurance producer, surplus lines insurance broker, or limited lines producer. OKLA. STAT. ANN. tit. 36, § 1435.30.</p> <p>Prohibits insurance consultants from employing, being employed by, being in partnership with, or receiving any remuneration whatsoever from any licensed producer, surplus lines broker, or insurer. OKLA. STAT. ANN. tit. 36, § 1435.30.</p>	<p>Does <u>not</u> prohibit the offset, in whole or in part, of a fee payable pursuant to a written consulting agreement by compensation otherwise payable to a duly licensed insurance producer for acting as a producer. OKLA. STAT. ANN. tit. 36, § 1435.30.</p> <p>In advance of rendering any service, requires an insurance consultant to prepare a written agreement that outlines the nature of the work to be performed by the consultant and states the fee for the work. OKLA. STAT. ANN. tit. 36, § 1435.30.</p>

<i>State</i>	<i>Licensing</i>	<i>Treatment of Producers</i>	<i>Consultant Compensation</i>
<i>Oregon</i>	<p><i>Oregon imposes licensure obligations on insurance consultants.</i> OR. REV. STAT. § 744.605. Requires consultants to be licensed as to a particular line of authority (e.g., life insurance, health insurance, property and casualty, etc.). OR. REV. STAT. § 744.626.</p> <p>Covers a person who:</p> <ul style="list-style-type: none"> • For compensation other than commission from the sale of insurance engages, attempts to engage, or offers to engage in any of the following activities: <ul style="list-style-type: none"> – Acting as a consultant regarding insurance; – Giving advice, counsel, opinion, or service with respect to the benefits, advantages, or disadvantages of insurance that may be issued in Oregon; or – In any other manner providing information about insurance; <u>or</u> • Purports or offers to engage in such activities by using, in conjunction with their name, the title or designation of insurance planner, consultant, adviser or counselor, or financial and insurance planner, consultant, adviser or counselor, or any similar title or designation. OR. REV. STAT. § 744.605. 	<p><i>Oregon does <u>not</u> exempt producers from being licensed as insurance consultants.</i> OR. REV. STAT. § 744.609.</p> <p>Prohibits insurance consultants from giving or receiving a rebate of all or part of any fee or other expenses charged for services or any earnings, profit, dividends, or other benefit accruing to the insurance consultant from the services provided by the insurance consultant. OR. REV. STAT. § 744.655.</p>	<p>Requires insurance consultants to furnish to each client and prospective client a written disclosure statement containing the following information:</p> <ul style="list-style-type: none"> • A description of the nature of the work to be performed by the insurance consultant. • The applicable occupational and educational background of the insurance consultant. • The area or areas of insurance in which the insurance consultant has particular expertise. • The fee schedule and any other expenses that the insurance consultant charges, and whether fees may be negotiated. • The name of any person, other than clients, that the insurance consultant represents. • Whether the insurance consultant will receive any commission or obtain any other compensation for services provided the client in addition to fees and other expenses paid by the client. OR. REV. STAT. § 744.650. <p>Requires an insurance consultant to disclose the following information to each client in the course of providing insurance consultant services to the client and before the consultant makes any final insurance recommendation to the client:</p> <ul style="list-style-type: none"> • Other business activities of the insurance consultant relating to financial planning. • The method of investment analysis and comparison used. • Assumptions contributing to insurance recommendations for the client. OR. REV. STAT. § 744.650.
<i>Pennsylvania</i>			
<i>Rhode Island</i>			

State	Licensing	Treatment of Producers	Consultant Compensation
<i>South Carolina</i>			
<i>South Dakota</i>	<p><i>South Dakota does not issue licenses to consultants, but if a person is acting in the capacity of a consultant and providing insurance advice, they may obtain a producer license.</i> S.D. COD. L. STAT. § 58-30-144.1; Guidance for Producers.</p> <p>Covers an agent of the insured who sells, solicits, or negotiates insurance on behalf of an insured or prospective insured or who assists an insured or prospective insured in the procurement of insurance. S.D. COD. L. STAT. § 58-30-142.</p>	<p><i>South Dakota requires any person acting as a consultant to be licensed as an agent, but does <u>not</u> require a separate license for a licensed agent to act as a consultant.</i> S.D. COD. L. STAT. § 58-30-144.1.</p>	<p>Allows a consultant to collect a fee from an insurance customer for services provided as a consultant, but prohibits a consultant from collecting a fee for any insurance placed with that insurance customer (i.e., no producer may both act as an agent of the insured and charge the consumer consultant fees in addition to commissions on earned policies). S.D. COD. L. STAT. § 58-30-144; Guidance for Producers.</p> <p>Allows a consultant to act as a consultant and collect a fee from an insurance customer and also receive a commission for insurance sold, solicited, or negotiated with that same insurance customer provided that the fee and commission are for separate and distinct insurance products. S.D. COD. L. STAT. § 58-30-144.1.</p> <p>Requires any consultant collecting a fee from an insurance customer to set forth in a written agreement the fee to be charged and the terms and conditions of the services provided to the customer. S.D. COD. L. STAT. § 58-30-144.1.</p>

<i>State</i>	<i>Licensing</i>	<i>Treatment of Producers</i>	<i>Consultant Compensation</i>
<i>Texas</i>	<p><i>Texas imposes licensure obligations on life and health insurance counselors.</i> TEXAS INS. CODE § 4052.051.</p> <p>Covers a person who:</p> <ul style="list-style-type: none"> • For compensation, examines a life, accident, or health insurance policy, health benefit plan, etc. to give advice or other information regarding the policy/plan <u>or</u> the advisability of changing, replacing, rejecting, the policy/plan or accepting or procuring the policy/plan. • In any public manner, uses as a title “insurance adviser,” “insurance analyst,” “insurance counselor,” “insurance specialist,” “policyholders’ adviser,” “policyholders’ counselor,” or “any other title indicating that the person gives advice to an insured having an interest in a life, accident, or health insurance policy. TEXAS INS. CODE § 4052.001. 	<p><i>Texas exempts agents from being licensed as life and health insurance counselors in certain circumstances.</i></p> <p>Exempts licensed life agents from licensure while they are acting as an agent for the company. TEXAS INS. CODE § 4052.004.</p>	<p>Provides that a life and health insurance counselor (or person acting on their behalf) may enforce an agreement between the counselor and a person relating to the counselor’s services <u>only</u> if:</p> <ul style="list-style-type: none"> • The agreement is in writing. • The agreement is executed in duplicate and a copy is delivered to/retained by the person when executed. • The agreement specifies the amount of the compensation paid/to be paid to the counselor <u>and</u> the services to be provided by the counselor. TEXAS INS. CODE § 4052.101.

<p>Utah</p>	<p><i>Utah imposes licensure obligations on insurance consultants.</i> UTAH CODE § 31A-23a-103. Requires the qualification for licensure to relate to the line of insurance for which the consultant plans to consult. Consultant Guidance.</p> <p>Covers a person who:</p> <ul style="list-style-type: none"> • Advises another person about insurance needs and coverage; • Is compensated by the person advised on a basis not directly related to the insurance placed; and • Generally is not compensated directly or indirectly by an insurer or producer for advice given. UTAH CODE § 31A-1-301(90). 	<p><i>Utah does <u>not</u> exempt producers from being licensed as insurance consultants.</i></p> <p>Prohibits a licensed consultant from acting in the same or any directly related transaction as a consultant <u>and</u> a producer for the insurer. UTAH CODE § 31A-23a-401.</p>	<p>A consultant may receive <i>noncommission</i> compensation (e.g., compensation received by a consultant as a consulting fee) if it is stated on a separate, written disclosure that clearly specifies:</p> <ul style="list-style-type: none"> • The amount of any known noncommission compensation. • The type and amount of any potential and contingent noncommission compensation. • The existence and source of any other compensation. UTAH CODE § 31A-23a-501. <p>Prohibits a consultant from recommending or encouraging the purchase of insurance from or through an insurer/other producer (1) of which the consultant (or their spouse) is an owner, executive, or employee; <u>or</u> (2) to which the consultant has the type of relation that a material benefit would accrue to the consultant (or their spouse) as a result of the purchase, <u>unless</u> three requirements are met:</p> <ul style="list-style-type: none"> • Prior to performing the consulting services, the consultant discloses to the client, prominently, in writing their interest as a producer for the insurer <u>and</u> that, as a result, the consultant’s recommendations should be given appropriate scrutiny. • The consultant’s fee is agreed upon, in writing, after the disclosure is provided/before the requested services are performed. • Any report resulting from the requested services must contain a copy of the disclosure. UTAH CODE § 31A-23a-401. <p>Prohibits a consultant from accepting or receiving any compensation from an insurer or TPA for the initial placement of a health benefit plan, <u>unless</u>—prior to a large customer’s initial purchase of the plan—the consultant discloses in writing that they will receive compensation from the insurer or TPA for the placement of insurance, including the amount or type of compensation known to the producer at the time of the disclosure. UTAH CODE § 31A-23a-501.</p>
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<i>State</i>	<i>Licensing</i>	<i>Treatment of Producers</i>	<i>Consultant Compensation</i>
<i>Vermont</i>	<p><i>Vermont imposes licensure obligations on insurance consultants.</i> VT. STAT. ANN. tit. 8, § 4802.</p> <p>Covers an individual, resident, or nonresident who—for a fee—holds themselves out to the public as engaged in the business of offering any advice, counsel, opinion, or service with respect to the benefits, advantages, or disadvantages promised under any policy of insurance that could be issued in Vermont. VT. STAT. ANN. tit. 8, § 4791.</p>	<p><i>Vermont exempts duly licensed insurance producers from being licensed as insurance consultants.</i> VT. STAT. ANN. tit. 8, § 4802.</p>	<p>In advance of rendering any service as a consultant, requires the consultant to prepare a written agreement that outlines the nature of the work to be performed and states the fee for the work. VT. STAT. ANN. tit. 8, § 4802.</p> <p>Prohibits a person from concurrently holding a consultant’s license and an insurance producer’s, surplus lines insurance broker’s, or limited lines producer’s license in any line. VT. STAT. ANN. tit. 8, § 4802.</p> <p>Prohibits a licensed consultant from receiving any remuneration from any licensed insurance producer, surplus lines insurance broker, limited lines producer, or insurer arising out of his or her activities as a consultant. VT. STAT. ANN. tit. 8, § 4802.</p>
<i>Virginia</i>	<p><i>Virginia imposes licensure obligations on insurance consultants.</i> VA. CODE ANN. § 38.2-1837. Requires consultants to be licensed as to a particular line of authority (e.g., life and health, property and casualty, etc.). VA. CODE ANN. § 38.2-1837.</p> <p>Covers any individual or business entity who acts as an independent contractor in relation to his client and—for a fee or compensation other than from an insurer, agent, or surplus lines broker—advises or offers or purports to advise any person actively or prospectively insured. VA. CODE ANN. § 38.2-1837.</p>	<p><i>Virginia does <u>not</u> exempt producers from being licensed as insurance consultants.</i> VA. CODE ANN. § 38.2-1837.</p>	<p>Requires an insurance consultant (that does <u>not</u> sell, solicit, or negotiate insurance as part of their services) to enter into a written contract with their client prior to any act as a consultant. VA. CODE ANN. § 38.2-1839.</p> <p>Requires an insurance consultant (that <u>does</u> sell, solicit, or negotiate insurance as part of their services) to enter into a written contract with their client prior to the purchase of any insurance by that client. VA. CODE ANN. § 38.2-1839.</p> <p>In both instances, requires the contract to include the amount and basis of any consulting fee and the duration of employment. If the consultant may also receive commissions, incentives, bonuses, overrides, or any other form of remuneration either directly or indirectly as a result of their services for selling, soliciting, or negotiating insurance as a part of his services in addition to a consulting fee, requires such information to be disclosed in the contract. VA. CODE ANN. § 38.2-1839.</p>

State	Licensing	Treatment of Producers	Consultant Compensation
<i>Washington</i>			
<i>West Virginia</i>			
<i>Wisconsin</i>			
<i>Wyoming</i>	<p><i>Wyoming imposes licensure obligations on insurance consultants.</i> WYO. STAT. § 26-9-220; WYO. R & R. ch. 044.0002.18, § 3.</p> <p>Covers individuals who—for a fee—engage in the business of offering to another person any advice, counsel, opinion, or service with respect to:</p> <ul style="list-style-type: none"> • Insurance needs; • Insurance risks; • Benefits, coverages, or provisions under any policy of insurance that could be issued in Wyoming; <u>or</u> • Advantages or disadvantages of any such policy of insurance or any formal plan of managing pure risk and is not compensated by an insurer or insurance producer for the advice given. WYO. R & R. ch. 044.0002.18, § 2. 	<p><i>Wyoming exempts producers from being licensed as insurance consultants in certain circumstances.</i></p> <p>Specifically, does <u>not</u> require licensed insurance producers who give advice incidental to the normal course of insurance business and do not charge a fee other than commissions received from the insurance written to be licensed as consultants. WYO. R & R. ch. 044.0002.18, § 2.</p> <p>Prohibits an insurance producer who is also licensed as a consultant from acting in the dual capacity of an insurance producer and a consultant in the same insurance transaction. WYO. STAT. § 26-9-220.</p>	<p>N/A</p>