

**SEASONING REQUIREMENTS
FOR AUTHORITY TO TRANSACT BUSINESS**

The date following each state indicates the last time information for the state was reviewed/changed.

“√” This information has been updated by the State Department of Insurance

STATE	CITATION	SEASONING REQUIREMENTS	CONDITIONS FOR WAIVER
AL (5/04)	§ 27-3-4	5 years	Wholly owned subsidiaries or merged companies are excluded from seasoning requirements, as well as companies that meet AL capital and surplus requirements.
AK (5/04)	§ 21.09.270	Retaliatory	No
AZ (5/04)	§ 20-230	Retaliatory	No
AR (5/04)	§ 23-63-202	3 years	Wholly owned subsidiaries or merged companies, where at least one of the companies has 3 years of operation are excluded from seasoning requirements.
CA (9/04)	Ins. § 716	3 years	If 51% or more of voting stock are owned by a reputable insurer or noninsurer admitted to California for at least 3 years; or a successor of a merger are excluded from seasoning requirements.
CO (5/04)	Reg. 2-1-7	3 years	Companies applying for only Medicare Part D authority must demonstrate 18 months of favorable operating experience.
CT (5/04)	Reg. § 38a-41-3; Department Policy	3 years	Business experience requirement may be waived for the survivor corporation in the case of a merger or consolidation.
DE (5/04)	Domestic/Foreign Insurers Bulletin No. 3	3 years	Commissioner may waive (1) if it is in the best interests of the citizens of the State and it can be proven that their interests are fully protected, or (2) if company is a subsidiary or affiliate company with substantially the same management of an admitted company, or (3) continuing corporation resulting from merger or consolidation.
DC (9/04)	DCMR. 26 § 1001	2 years (life)	\$3 million capital and surplus; or company owned or controlled by a company licensed in DC for at least 3 years prior to application; or \$300,000 escrow for protection of policyholders.

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FL (5/04)	§ 624.404	3 years	Wholly owned subsidiaries or merged companies; or if the company provides a product or service not readily available to the customer; or has operated successfully and has \$5 million capital and surplus.
GA (5/04)	§ 33-3-26	Retaliatory	No
HI (5/04)	§ 431:3-203 to 431:3-203.5	5 years	If an insurer is licensed under the insurance laws of one of not less than 3 states accredited by the NAIC that are annually designated by the insurance commissioner.
ID (5/04)	§ 41-308	5 years	Director shall take prior 5 years' experience "into consideration."
IL (5/04)	215 ILCS 5/444	Retaliatory	No
IN (5/04)	§ 27-1-20-12	Retaliatory	No
IA (5/04)	§ 505.14	3 years	Wholly owned subsidiaries of currently licensed insurance companies.
KS (5/04)	§ 40-209	3 years	Subsidiaries or merged companies or companies whose admission is determined by the commissioner to be in the best public interest are excluded from seasoning requirements.
KY (5/04)	§ 304.3-090	3 years	Wholly owned subsidiaries or merged companies or companies that provide a product or service not readily available to the consumer are excluded from seasoning requirements.
LA (5/04)	§ 22:982	Provide certificate that are currently licensed for same lines in domiciliary state	No
ME (5/04)	Reg. 231(3)(E)(a)	Licensed for 3 years and writing requested lines of business in sufficient volume to demonstrate expertise	An unconditional financial guaranty may be considered in accordance with Reg. 231(3)(F)
MD (4/05)	COMAR §§ 31.04.05	2 years	Commissioner may waive requirements, if the Commissioner considers it in the public interest.

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MA (5/04)	§ 175:153	3 years	Wholly owned subsidiaries could be excluded from seasoning requirements provided the parent company can satisfy the seasoning requirement.
MI (5/04)	§ 500.476a	Retaliatory	No
MN (10/04)	Department Policy	1) Writing direct business in state of domicile 2) Direct written premiums for 2 years in lines of business applied for:	Commissioner may consider waiver if: 1) Applicant's parent is admitted in MN and presents no solvency concerns; 2) Applicant provides services that are underserved in MN; or 3) Applicant is wholly-owned subsidiary of a seasoned, well capitalized parent.
MS (5/04)	§ 83-21-3	2 years	Subsidiaries or affiliates are excluded from seasoning requirements.
MO (5/04)	§ 375.821	Currently licensed for lines in domiciliary state	No
MT (5/04)	§ 33-2-709	Retaliatory	No
NE (5/04)	§ 44-150	Retaliatory	No
NV (5/04)	§ 680A.330	3 years	The Commissioner may require three years for seasoning, if not, then it retaliatory.
NH (5/04)	§ 400-A:35	5 years	No
NJ (5/04)	Reg. 11:1-10.4	5 years	Commissioner may waive at the request of the insurer. The commissioner will consider: 1. Whether the applicant is a wholly owned subsidiary; 2. Whether the applicant is a continuation of a merger; 3. An insurance company with a non-insurance company parent with 3 complete years of operation; and 4. Whether the company provides services that are underserved in the state.
NM (5/04)	§ 59A-5-33	Retaliatory	No
NY (5/04)	Ins. Law § 4119 (P/C)	3 years	Commissioner may waive the requirement.

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NC (5/04)	§ 58-16-5(2)	3 years	North Carolina Administrative Code (NCAC) 14.0505: (a), (b), (c), (d). (a) Guarantor Insurance Co. licensed in NC for at least 10 years & successful. (b) Life Co. (on its own merits): Net Income for current or preceding year and three years projected net income. (c) P&C Co. (on its own merits): At least \$10 mill equity; At least five years writing same or similar business; Net Income for at least three of the most recent five years or \$25 mil equity; certified adequacy of loss & lae reserves. (d) An applicant (P&C or Life) is purchasing or has had transferred to it, an existing block of insurance business and the existing management personnel whereas, that block has had net income for any three of the most recent five years and three subsequent years of projected net income and, capital must be at least 6 times the ACL (authorized control level) of RBC after the purchase of the block of business.
ND (5/04)	§ 26.1-11-06	Retaliatory	No
OH (5/04)	ORC 3901.86A	None	No
OK (5/04)	tit. 36 § 628	Retaliatory	No
OR (5/04)	§ 731.854	Retaliatory	No
PA (5/04)	§ 40-17-101	1 year	May waiver if company or association is affiliated with an insurer already authorized to do business in Pennsylvania.
PR (5/04)	tit. 26 § 304	5 years	Wholly owned subsidiaries of authorized insurers operating during the 5 years prior to application date are excluded from seasoning requirements.
RI (5/04)	§ 27-2-17	Retaliatory	No

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√SC (10/09)	Department Policy	<p>Applicant</p> <p>1) has continuously and actively transacted an insurance business for at least three years immediately prior to making application and</p> <p>2) has shown a net gain from operations in the calendar year immediately prior to making application.</p>	<p>Director may waive if applicant 1) will write a line or lines of insurance not readily available to the citizens of South Carolina, and it can be clearly demonstrated that their interests are fully protected; 2) is a wholly-owned subsidiary or affiliate of an insurer which has been licensed and operating profitably in South Carolina for at least three years; or 3) is a continuing corporation resulting from merger or consolidation of insurance companies, at least one of which has been organized and actively engaged in insurance business in the state of its organization for at least three years prior to date of application for admittance.</p>
SD (5/04)	§ 58-6-13	2 years	Wholly owned subsidiaries or which is a successor in interest through merger or consolidation of a company that is authorized insurer in South Dakota are excluded from seasoning requirements. Director may waive provisions if a special need or circumstance can be demonstrated.
TN (5/04)	§ 56-2-113	3 years	Wholly owned subsidiaries or merged companies are excluded from seasoning requirements.
TX (5/04)	I.C. art. 21.46 (Repealed eff. 4/1/05)	Retaliatory	No
UT (5/04)	§ 31A-14-209	3 years	May waive if commissioner finds other grounds for being confident the company will be solid.
VT (5/04)	Bulletin 43 (Revised)	5 years	Commissioner has authority to waive criteria.
VI (5/04)	tit. 22 § 466	5 years	May waive if possesses sufficient capital or surplus funds.
VA (5/04)	VA Administrator Letter 2002-7 § 38.2-1024B	3 years	Expansion applicants are subject to a performance standard, defined generally as profitable operations as a direct writer for each of the three immediately preceding three years. For applicants that do not strictly comply with this standard, the Bureau, at its discretion, may give due consideration to such mitigating factors as the severity, cause(s), and timing of statutory losses, surplus strength of the applicant, financial strength of a parent insurer licensed in Virginia, other affiliates licensed in Virginia and under common control with the applicant, etc

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WA (5/04)	§ 48.05.105	3 years	Wholly owned subsidiaries of companies that have held a certificate of authority in this state for at least 3 years are excluded from seasoning requirements.
WV (5/04)	§ 33-3-16	Retaliatory	No
WI (5/04)	§ 618.21	5 years	If seeking license during first 5 years, must have initial expendable surplus that the commissioner considers "adequate."
	Reg. § INS 6.01	2 years	No application of a foreign company will be considered until it has been in business at least 2 years.
WY (5/04)	§ 26-3-105	2 years	Wholly owned subsidiaries or merged companies or companies that offer products or services not readily available to the consumer are excluded from seasoning requirements.

This chart does not constitute a formal legal opinion by the NAIC staff on the provisions of state law and should not be relied upon as such. Every effort has been made to provide correct and accurate summaries to assist the reader in targeting useful information. For further details, the statutes and regulations cited should be consulted. The NAIC attempts to provide current information; however, readers should consult state law for additional adoptions.