



NAIFA Member Dennis Cuccinelli Testifies before New Jersey Department of Labor and Workforce Development

June 23, 2025

Executive Director Fish and regulators of the New Jersey Department of Labor and Workforce Development. My name is Dennis Cuccinelli, and I am a licensed insurance agent based in Paramus, proudly representing the New Jersey chapter of the National Association of Insurance and Financial Advisors – NAIFA-New Jersey.

I'm here today to express our concern with the Department's proposed rule codifying the ABC test.

While we support efforts to prevent worker misclassification, this rule would significantly narrow current standards and could disrupt the personalized financial services we provide to New Jersey families and businesses.

New Jersey families and businesses rely on us for access to a variety of financial protection solutions, including life insurance, annuities and retirement and investment planning. These products are not just numbers on a policy, they are lifelines in times of crisis. Life insurers in New Jersey pay out roughly \$8.5 billion annually in life insurance and annuity benefits. This financial safety net plays a pivotal role in helping families rebuild after the loss of a loved one or plan for a more secure retirement. Limiting the flexibility of insurance agents and financial advisors risks eroding this safety net by narrowing the options available to families and businesses.

The proposal in question seeks to reclassify licensed insurance agents and financial advisors as employees instead of maintaining their current status as independent contractors. On the surface, this may seem like a step toward increased worker protections. But for financial professionals like me and the families and businesses I serve, it could have far-reaching, unintended consequences.

After considering similar proposals, California recognized the unique nature of licensed insurance and financial advisors and preserved their independent contractor status. New Jersey should follow their lead and amend this proposal to reflect the distinctive needs of our profession. Doing so would ensure that families and businesses continue to have unfettered access to the financial protection they deserve.

As already highly regulated licensed insurance agents and financial advisors, we operate our own businesses. We hold licenses, contract with multiple carriers, pay our own business expenses, and are responsible for maintaining compliance with strict state and federal laws. We are not employees — we are entrepreneurs. Our independent contractor designation provides a level of flexibility that simply wouldn't be possible if we were re-classified as full-time employees.

My dad was a truck driver – before he obtained his teamster card, he needed the protections in this proposed rule – a rule that could help so many families. Insurance and financial advisors don't need those protections and granting them to us would not only hurt us but those we serve.

A national NAIFA survey found that 95% of members currently classified as independent contractors want to keep their status.

Under this proposed rule, many of us would fail Prong B simply because we provide services that fall within the “usual course of business” of the companies we contract with. This would create confusion, disrupt the independent agency model, and limit consumer access to trusted, local insurance and financial guidance.

On behalf of NAIFA-New Jersey and licensed insurance agents and financial advisors across the state, I respectfully urge the Department to exempt licensed insurance and financial advisors who clearly meet the definition of independent contractors.

Thank you for your time and for considering the perspective of our profession.

[Dennis Cuccinelli](#), a licensed insurance agent based in Paramus, N.J., is a national trustee of the National Association of Insurance and Financial Advisors and member of NAIFA -New Jersey.

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