

BULLETIN 2020-08

TEMPORARY LICENSES DURING STATE OF EMERGENCY

Effective April 15, 2020

The purpose of this Bulletin is to notify the insurance industry, including applicants, agents, and insurers, that the Superintendent has determined that it is in the public interest to issue temporary resident agent licenses during the Stay at Home Order issued by the Director of the Ohio Department of Health. This Bulletin will establish the process to apply for, and the criteria for issuance of, a temporary resident agent license.

On March 9, 2020, Governor Mike DeWine declared a state of emergency in Ohio to protect the well-being of Ohioans from the dangerous effects of COVID-19, and directed state agencies to develop and implement procedures consistent with recommendations from the Department of Health designed to prevent or alleviate the public health threat. (See Executive Order 2020-01D.)

To slow the spread of COVID-19 and increase social distancing, the Director of the Ohio Department of Health ("Health Director") issued a Public Health Order on March 22, 2020, that required all individuals currently living in Ohio to stay at home from March 23 to April 6 (except as allowed in certain circumstances, such as for essential activities, essential governmental functions, or to participate in essential businesses and operations). On April 2, 2020, the Health Director modified the March 22 order to extend the stay at home requirement until May 1, 2020. (Throughout the remainder of this Bulletin "Stay at Home Order" refers to both the March 22, 2020 and April 2, 2020 orders, as well as any subsequent similar order issued by the Health Director.)

The Superintendent recognizes the general requirement to stay at home and the limited availability of examination locations during the Stay at Home Order has created a barrier for otherwise eligible individuals to obtain a resident agent license. Therefore, having determined the public interest will be best served by issuing licenses to individuals who meet certain criteria, and in accordance with R.C. 3905.09(A)(4), the Superintendent will issue temporary major line resident agent licenses ("temporary licenses") to qualifying individuals.

Issuance of Temporary Licenses

Effective immediately and continuing until the end of the Stay at Home Order and only under the following conditions, temporary licenses will be issued to major line resident agent license applicants without requiring examination or criminal records checks:

1. The individual requesting the temporary license has submitted a major line resident agent license application using the National Insurance Producer Registration (NIPR) website at www.nipr.com and paid the appropriate fee upon submission.
2. The individual requesting the temporary license is not eligible for a non-resident license in another state.
3. The individual requesting the temporary license meets all other requirements for licensure. The Superintendent will not issue a temporary license if the individual has previously failed an Ohio insurance licensing examination or been denied a major line resident agent license by the State of Ohio due to the results of a criminal records check in a prior application.
4. The individual requesting the temporary license must be sponsored by an insurer. The insurer sponsor:
 - a. Must complete and submit the "Insurer Sponsor Acknowledgement" to the Ohio Department of Insurance.
 - b. Assumes responsibility for all acts and omissions of the temporary license holder.
 - c. Must maintain a record of all sponsored temporary license holders and the business transacted by each.
 - d. Must assure each temporary license holder is employed by an agency, broker or insurer and is directly and properly supervised by a licensed agent in good standing with the State of Ohio, or where applicable, a registered principal licensed by the Financial Industry Regulatory Authority (FINRA).
 - e. Must notify the Ohio Department of Insurance in writing if the sponsored temporary license holder is no longer employed or under the direct supervision of the insurer sponsor, and shall disclose all details as to circumstances causing termination.
 - f. Must ensure that the scope of the temporary license holder's duties do not exceed the authority granted under the temporary license.

- g. Should assist temporary license holders in their efforts to obtain a (non-temporary) resident agent license by helping them through examination and criminal background check processes, particularly after the Stay at Home Order restrictions have been lifted.
 - h. Will be deemed to have appointed the temporary license holder and the appointment will be for the duration of the temporary license.
5. A temporary license expires when the temporary license holder has been issued or denied a major line resident agent license in accordance with R.C. 3905.06 and OAC 3901-5-09, or 60 calendar days after the expiration or termination of the Stay at Home Order, whichever comes first. In no event shall a temporary license be in effect for longer than 180 days.
 6. The temporary license is only intended to provide relief during the Stay at Home Order and does not guarantee the issuance of a major line resident agent license. The temporary license holder must successfully complete the examination and submit the required criminal record check prior to expiration of the temporary license in order to make application for a (non-temporary) resident agent license.
 7. The temporary license may be rescinded if the Superintendent determines that the interests of insureds or the public are endangered.

Requesting and Issuing a Temporary License

In order to be issued a temporary license, an individual must first submit a major line resident agent license application using the NIPR website at www.nipr.com and pay the appropriate fee upon submission. After receiving confirmation of the submission of the application from NIPR, the applicant must submit a written request for a temporary license to the Ohio Department of Insurance by email at licensing@insurance.ohio.gov. The written request must include the transaction number and the National Producer Number received from NIPR. The applicant shall also ensure that his/her sponsor has submitted a completed "Insurer Sponsor Agreement" to the Ohio Department of Insurance by email at licensing@insurance.ohio.gov.

A temporary license will only be issued after the Superintendent is satisfied that the applicant: has submitted a complete application, including an "Insurer Sponsor Acknowledgement" completed by a qualified sponsor; and meets all of the temporary license conditions.

Nothing in this Bulletin should be construed as prohibiting a temporary license holder from completing either the examination or criminal records check prior to the expiration of the temporary license. Temporary license holders are encouraged to do so, so long as completion can be done safely and consistent with any Stay at Home Order.

This Bulletin expires upon the expiration of the state of emergency declared by Governor DeWine on March 9, 2020.

Superintendent of Insurance

A handwritten signature in blue ink that reads "Jillian Froment". The signature is written in a cursive style with a large initial "J" and a long, sweeping underline.

Jillian Froment
Director

TEMPORARY LICENSE APPLICANT INFORMATION	
<i>Name of Applicant for Temporary License:</i>	<i>NPN#</i>
EMPLOYER INFORMATION	
<i>Name of Agency, Broker, or Insurer:</i>	<i>NPN or NAIC #</i>
SUPERVISOR INFORMATION	
<i>Name of Licensed Supervisor(s)</i>	<i>NPN#(s)</i>
INSURER SPONSOR INFORMATION	
<i>Name of Insurer Sponsor:</i>	<i>NAIC#</i>
<i>Name of Individual Authorized to Act on behalf of the Insurer:</i>	<i>NPN# (if applicable)</i>
INSURER SPONSOR ACKNOWLEDGMENT	
<p>By completing this Insurer Sponsor Acknowledgment and agreeing to sponsor the applicant for a temporary license named above, the INSURER SPONSOR understands it is fully responsible for the actions of the Temporary License Holder and will be held accountable for any misconduct or violation of insurance law committed by the TEMPORARY LICENSE HOLDER.</p> <p>The INSURER SPONSOR further agrees to ensure that:</p> <ol style="list-style-type: none"> 1. It will maintain a record of all sponsored temporary license holders and the business transacted by each. 2. It will ensure the Temporary License Holder is directly and properly supervised by a licensed agent in good standing with the State of Ohio, or where applicable, a FINRA-licensed registered principal. 3. It will notify the Ohio Department of Insurance in writing if the sponsored temporary license holder is no longer employed or under the direct supervision of the insurer sponsor, and shall disclose all details as to circumstances causing termination. 4. The scope of the temporary license holder's duties will not exceed the authority granted through the temporary license. <p>The INSURER SPONSOR will be deemed to have appointed the TEMPORARY LICENSE HOLDER and the appointment will be for the duration of the temporary license.</p>	
<i>Signature</i>	<i>Date</i>
	<i>Email</i>