

Publications

Ohio Department of Insurance Guidance Regarding Issuing Temporary Resident Agent Licenses During State Of Emergency

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On April 15, 2020, the Ohio Department of Insurance (the Department) issued [Bulletin 2020-08](#) which states that the Superintendent of the Department has determined that it is in the public interest to issue temporary resident agent licenses, due to the March 22nd and April 2nd Stay at Home Orders issued by the Director of the Ohio Department of Health. This Bulletin also establishes the process to apply for, and the criteria for issuance of, such a license.

The Superintendent recognized the general requirement to stay at home and the limited availability of examination locations created a barrier for individuals to obtain a resident agent license. Therefore, the Superintendent determined that, in accordance with Ohio Revised Code (ORC) Section 3905.09(A)(4), the Superintendent will issue temporary major line resident agent licenses (temporary licenses) to qualifying individuals, under the following conditions:

- 1) temporary licenses will be issued to major line resident agent license applicants without requiring examination or criminal records checks;
- 2) the individual requesting the temporary license must submit a major line resident agent license application using the National Insurance Producer Registration (NIPR) website at www.nipr.com and pay the appropriate fee; after receiving confirmation of the submission of the application from the NIPR, the applicant must submit a written request for a temporary license to the Department by email at licensing@insurance.ohio.gov, which request must include the transaction number and the National Producer Number received from the NIPR;
- 3) the individual requesting the temporary license must not be eligible for a non-resident license in another state;
- 4) 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 Department due to the results of a criminal records check in a prior application;

5) the individual requesting the temporary license must be sponsored by an insurer (the applicant must ensure that his/her sponsor has submitted a completed "Insurer Sponsor Agreement" to the Department by email at licensing@insurance.ohio.gov). The insurer sponsor:

- must complete and submit the "Insurer Sponsor Acknowledgement" to the Department;
- must assume responsibility for all acts and omissions of the temporary license holder; must maintain a record of all sponsored temporary license holders and the business transacted by each;
- 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;
- must notify the Department 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;
- ensure that the scope of the temporary license holder's duties do not exceed the authority granted under the temporary license;
- 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 latest Stay at Home Order restrictions have been lifted; and
- will be deemed to have appointed the temporary license holder and the appointment will be for the duration of the temporary license;

6) the temporary license shall expire when the temporary license holder has been issued or denied a major line resident agent license in accordance with ORC Section 3905.06 and Ohio Administrative Code Section 3901-5-09, or 60 calendar days after the expiration or termination of the latest Stay at Home Order, whichever comes first. In no event shall a temporary license be in effect for longer than 180 days;

7) the temporary license will only provide relief during the Stay at Home Orders and does not guarantee the issuance of a (non-temporary) 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; and

8) the temporary license may be rescinded if the Superintendent determines that the interests of insureds or the public are endangered.

The Bulletin stated that a temporary license holder is not prohibited from completing either the examination or criminal records check prior to the expiration of the temporary license, and that temporary license holders are encouraged to do so, so long as completion can be done safely and consistent with any Stay at Home Order.

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

If you have questions about this Bulletin, please contact Anthony Spina, Tom Szykowny, Gregg Zelasko or your regular Vorys attorney.

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Vorys COVID-19 Task Force

Vorys is continuing to monitor the COVID-19 outbreak and related guidance to insurers. In addition, Vorys attorneys and professionals are counseling our clients on a myriad of others issues related to the outbreak. We have established a comprehensive COVID-19 Task Force, which includes attorneys with deep experience in the niche disciplines that we have been and expect to continue receiving questions regarding coronavirus. Learn more and see the latest updates from the task force at [vorys.com/coronavirus](https://www.vorys.com/coronavirus).