



IMPLEMENTATION DATES OF THE MAJOR AMENDMENTS PERTAINING TO OHIO REVISED CODE 3905

June 1, 2010 Implementation Date:

- **Section 3905.14** – Several additions/changes were made to the reasons that the superintendent may suspend, revoke, or refuse to issue or renew any license for an insurance agent, assess a civil penalty, or impose any other sanction or sanctions authorized under chapter 3905.
- **Section 3905.35** – Only resident surplus line brokers will be required to obtain a twenty-five thousand dollar bond as part of the licensure process. *(Previously, both resident and non-resident surplus line brokers were required to obtain the bond).*
- **Section 3905.36** – Surplus line brokers shall submit annually, on or before March 31st, the reporting and payment of taxes for the preceding calendar year. *(Previously, the reporting and payment of taxes were due annually by the 31st day of January based on the preceding twelve month period).*
- **Section 3905.40** – Ohio’s insurance application fees for Individuals (resident and non-resident) and Business Entities (resident and non-resident) will be charged an initial application fee for each License type/Line of Authority requested on the application. The application fee must be submitted with the application.

Line of Authority (LOA)	LOA Category	LOA Fee
Accident & Health	Major Line	\$10.00
Casualty	Major Line	\$10.00
Life	Major Line	\$10.00
Personal Lines	Major Line	\$10.00
Property	Major Line	\$10.00
Variable Annuities	Major Line	\$10.00
Credit	Limited Line	\$10.00
Crop	Limited Line	\$10.00
Funeral Expense	Limited Line	\$10.00
Reciprocal	Limited Line	\$10.00
Rental Car	Limited Line	\$10.00
Travel	Limited Line	\$10.00
Title	Title	\$10.00
Title Marketing Representative	TIMR	\$10.00

(Previously, major line individual resident and non-residents were the only applicants that were required to pay the licensure fees. Individual resident applicants had to pay the fee prior to taking the examination.)

- **Section 3905.841** – Prisoners incarcerated in any jail, prison, or any other place used for the incarceration of persons; volunteer or honorary peace officers; any person employed at an attorney’s office were added to the list of persons who shall not act as surety bail bond agents or employees of a surety bail bond agent or bail bond business and shall not directly or indirectly receive any benefits from the execution of a bail bond.
- **Section 3905.932** – The following limitation was added: A surety bail bond agent or insurer shall not post anything without using a bail instrument (“instrument” means a fiduciary form showing a dollar amount for a surety bail bond) representing an insurer, to have a defendant released on bail on all types of set court bail, except for the following: (1) Cash court fees or cash reparation fees; (2) Ten per cent assignments; (3) Other non-surety court bonds, if the agent provides full written disclosure and receipts and retains copies of all documents and receipts for not less than three years.



IMPLEMENTATION DATES OF THE MAJOR AMENDMENTS PERTAINING TO OHIO REVISED CODE 3905

January 1, 2011 Implementation Date:

- **Sections 3905.05 & 3905.051** – Individual applicants applying for a resident license with major line(s) of authority, title and surety bail bond must complete a criminal records check. The criminal records check must consist of both a state and federal background check. *(Previously, applicants only needed to complete a state criminal records check).*
- **Section 3905.05** – Resident applicants who apply for variable annuities line of authority shall include their individual central registration depository number (CRD) on their application.
- **Section 3905.06** – Any resident applicant applying for variable annuities line of authority must be registered with the financial industry regulatory authority (FINRA) as a registered representative after having passed at least one of the following examinations administered by the FINRA: the series 6 examination, the series 7 examination, the series 63 examination, the series 66 examination, or any other FINRA examination approved by the superintendent prior to applying for such authority in Ohio. *(Previously, resident applicants automatically received licensure for variable products authority after passing the combined life and variable products combined examination).*
- **Sections 3905.06, 3905.07 & 3905.40** – Individual agents seeking to renew their insurance license shall apply biennially for a renewal of the license on or before the last day of their birth month. Business entity agents seeking to renew their insurance license shall apply biennially for a renewal of the license on or before the date determined by the superintendent. The superintendent shall send a renewal notice to all licensees at least one month prior to the renewal date. *(Previously, Ohio's licenses for major lines were perpetual and were not connected to the compliance with continuing education requirements. Limited lines licenses were renewed automatically on September 1st if an active appointment was held on July 1st of the same year. Limited lines agents were permitted to renew the license upon request, if desired, without holding any active appointments).*

Renewal Process:

- 1) Agent shall submit a renewal application to the superintendent;
- 2) The application shall be accompanied by a biennial license renewal fee of \$25.00 dollars. The following insurance agents are not required to pay the license renewal fee: (a) Individual resident agents who hold a major line of authority or title license and have met their continuing education credit requirements; (b) Surety bail bond agents; or (c) Surplus line brokers.
- 3) Resident individual agents licensed with major lines of authority(s) or title must complete continuing education requirements prior to the renewal date.

Late Renewal Process:

If an agent does not apply for the renewal of the license on or before the license renewal date, the agent may submit a late renewal application along with all applicable fees required under this chapter prior to the first day of the second month following the license renewal date.

Suspension and Reinstatement Process for Non-Renewal of License:

A license that is not renewed on or before its renewal date or its late renewal date will automatically be suspended for nonrenewal on the first day of the second month following the renewal date. If a license is suspended for nonrenewal, the individual or business entity is eligible to apply for reinstatement of the license within the twelve-month period following the date by which the license should have been renewed by complying with the reinstatement procedure established by the superintendent and paying all applicable fees.



Cancellation of License:

A license that is suspended for nonrenewal that is not reinstated automatically is canceled unless the superintendent is investigating any allegations of wrongdoing by the agent or has initiated proceedings under Chapter 119. of the Revised Code. In that case, the license is automatically canceled after the completion of the investigation or proceedings unless the superintendent revokes the license.

Extension Request Process:

An individual licensed as a resident insurance agent who is unable to comply with the license renewal procedures established under this section and who is unable to engage in the business of insurance due to military service, a long-term medical disability, or some other extenuating circumstance may request an extension of the renewal date of the individual's license. To be eligible for such an extension, the individual shall submit a written request with supporting documentation to the superintendent. At the superintendent's discretion, the superintendent may not consider a written request made after the expiration date of the license.

- **Sections 3905.061 & 3905.071** - A change in the residency status of an insurance agent licensed in Ohio does not change the license renewal date established by the initial licensure.
- **Section 3905.10** - This section is repealed. The Department of Insurance will no longer issue or regulate solicitor licenses. All solicitor licenses and active sponsorships will be canceled on or before December 31, 2010.
- **Section 3905.16** – If an agent's license is surrendered, revoked, suspended, canceled, or inactivated by request, all appointments held by the agent are void. If a new license is issued to that person or if that person's previous license is reinstated or renewed, any appointment of the person to represent an insurer must be made in accordance with the requirements of this chapter. Additionally, if an agent's license is surrendered, revoked, or canceled and the person wishes to apply for a new license, the person shall apply as a new agent and shall satisfy all requirements for a new agent license including, if applicable, submitting to a criminal records check under section 3905.051 of the Revised Code. *(This section was revised due to the addition of the renewal process and Federal criminal records check).*
- **Section 3905.30** – To be eligible for a resident surplus line broker's license, a person must have both a property license and a casualty license. To be eligible for a nonresident surplus line broker's license, a person must hold an active surplus line broker license in the person's home state. A nonresident surplus line broker shall obtain a nonresident license with a property and casualty line of authority in this state if the broker is or will be personally performing the due diligence requirements under section 3905.33 of the Revised Code. *(Previously, both resident and non-resident surplus line brokers were required to hold a license with an active property & casualty line of authority as a license prerequisite).*
- **Section 3905.481** –Each individual who is issued a resident insurance agent license shall complete at least twenty-four hours of continuing education in each license renewal period. The continuing education shall be offered in a course or program of study approved by the superintendent of insurance in consultation with the insurance agent education advisory council and shall include at least three hours of approved ethics training. *(Previously, this section required resident agents to complete twenty continuing education credits biennially by December 31st and there was no ethics requirement).*
- **Section 3905.482** – This section is repealed. The Department of Insurance will no longer suspend or revoke agent licenses for failure to comply with CE requirements for renewal cycles after the implementation date of this section. However, the Department may continue the process of suspension or revocation for any agent who was not compliant prior to the implementation date of this section.

- **Section 3905.85** – Several requirements have been added to this section.
 - (1) An applicant for an individual resident surety bail bond license shall submit to a State and Federal criminal records check. *(Previously, resident surety bail bond agents only had to submit to a State criminal records check).*
 - (2) Resident and nonresident individual surety bail bond agents shall not execute or deliver a bond during the first one hundred eighty days after the license is initially issued. *(Previously, only resident individual surety bail bond applicants had to wait the 180 days to execute or deliver a bond).*
 - (3) The renewal process changed for surety bail bond (SBB) agents.

Renewal Process:

- 1) Surety bail bond agent shall submit a renewal application to the superintendent annually on or before the last day of February;
- 2) The application shall be accompanied by a one-hundred fifty dollar renewal fee; and
- 3) Individual resident surety bail bond agents shall complete 7 continuing education credits, one of which must be approved for ethics, prior submitting the renewal application.

Late Renewal Process:

If an agent does not apply for the renewal of the license on or before the last day of February, the agent may submit a late renewal application along with the applicable late fee and all other renewal requirements prior to the last day of March following the renewal date.

Inactivation and Reinstatement Process for Non-Renewed SBB License:

A surety bail bond license that is not renewed on or before the late renewal date of March 31st shall automatically be suspended for nonrenewal effective the first day of April. If a license is suspended for nonrenewal, the individual or business entity is eligible to apply for reinstatement of the license within the twelve-month period following the date by which the license should have been renewed by complying with the reinstatement procedure established by the superintendent and paying all required applicable fees.

Cancellation of SBB License: A license that is suspended for nonrenewal that is not reinstated will automatically be canceled unless the superintendent is investigating any allegations of wrongdoing by the agent or has initiated proceedings under Chapter 119. of the Revised Code. In that case, the license is automatically canceled after the completion of the investigation or proceedings unless the superintendent revokes the license.

(Previously, if a SBB agent did not renew by the last day of February they had until the last day of March to renew and pay a late fee of \$100. If they did not renew by March 31st their license was canceled and they had to reapply as a new agent. CE requirements were not tied to their license renewal).

- **Section 3905.87** – A surety bail bond agent shall not file a bond in any court of this state unless the agent is licensed and appointed and has registered appropriately with the clerk of that court, if registration is required by the court. To register with a court, a surety bail bond agent shall file, with the clerk of the court, a copy of the agent's surety bail bond license, a copy of the agent's driver's license or state identification card, and a certified copy of the surety bail bond agent's appointment by power of attorney from each insurer that the surety bail bond agent represents. An agent shall renew the agent's registration biennially by the first day of August of each odd-numbered year. The clerk of the court shall make available a list of court-registered surety bail bond agents to the appropriate holding facility, jail, correction facility, or other similar entity within the court's jurisdiction annually not later than the first day of September. If an agent registers with a court after the last day of August, the court shall add that agent to the list and make the updated list available to the appropriate holding facility, jail, correction facility, or other similar entity within the court's jurisdiction within twenty-four hours of the court's approval of that registration. *(Previously, surety bail bond agents had to register with the clerk of the court of common pleas of the county in which the agent resided. Additionally, registration and filing of a certified copy of a renewed power of attorney had to be performed by the first day of August of each odd-numbered year).*



- **Section 3905.88** – Resident individual surety bail bond agents shall complete at least seven hours of continuing education in each license renewal period. The continuing education shall be offered in a course or program of study related to the bail bond business that is approved by the superintendent of insurance and shall include at least one hour of approved ethics training. The superintendent shall not renew the license of any surety bail bond agent who fails to meet the continuing education requirements. *(Previously, a resident surety bail bond agent had to complete 14 surety bail bond specific continuing education credits every two years and the compliance of this requirement was not strictly tied to the renewal of the license and did not have an ethics requirement).*
- **Section 3905.89** – Surety bail bond agents shall notify, in writing, the appropriate insurer or managing general agent, and the clerk of the court of common pleas of the county in which the licensee is registered, within thirty days after a change in the licensee's principal business address or telephone number. *(Previously, surety bail bond agents had to notify the court of common pleas of the county in which the licensee resided when a business address or telephone number was changed).*