

**STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

Bulletin 2020-20-INS

In the matter of:

Temporary Producer Licenses
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**Issued and entered
this 22nd day of April 2020
by Anita G. Fox
Director**

This bulletin supersedes Bulletin 2020-15-INS, which is hereby rescinded.

On March 10, 2020, Governor Whitmer issued Executive Order 2020-04, which declared a state of emergency across the State of Michigan due to the COVID-19 pandemic. On March 23, 2020, Governor Whitmer issued Executive Order 2020-21, directing Michigan residents to remain at home or in their place of residence, with limited exceptions. Executive Order 2020-21 took effect on March 24, 2020 at 12:01 a.m. On April 9, 2020, Governor Whitmer issued Executive Order 2020-42, which rescinded Executive Order 2020-21, but reaffirmed and clarified the measures set forth in it and extended their duration through April 30, 2020, at 11:59 p.m.

COVID-19 continues to disrupt the daily lives and business operations of many Michigan entities and persons and threatens the public health and welfare of residents of this state. It has also substantially impacted some Michigan insureds, licensees, claimants and other covered persons.

Although considered essential under Executive Order 2020-21 and DIFS' Bulletin 2020-12, many entities and persons working within the insurance industry have had to suspend aspects of their business operations to mitigate the risks associated with COVID-19 pandemic. The third-party vendor under contract with DIFS to provide licensing examination services has suspended its operations by closing its testing facilities in response to the COVID-19 pandemic. The suspension of operations and/or closure of testing facilities by this vendor has resulted in some prospective new producer license applicants being unable to obtain licensure and secure employment.

Therefore, pursuant to Section 1211b(1)(d) of the Insurance Code, MCL 500.1211b(1)(d), the Director has determined that circumstances exist in which "the public interest will best be served by the issuance of temporary insurance producer licenses."

A. Requirements for Temporary Licenses

Effective immediately, DIFS will issue temporary producer licenses to applicants meeting the requirements for licensure under Section 1205(1) of the Insurance Code, MCL 500.1205(1), without requiring examination, subject to the following conditions:

1. Temporary producer licenses will be issued for a period of 90 days or until 30 days after the cessation of the current state of emergency related to COVID-19, whichever is later, but shall not exceed a total of 180 days. Temporary producer licenses will automatically expire 90 days after issuance or 30 days after the state of emergency is lifted by the Governor, whichever is later.
2. Temporary producer licenses are subject to cancellation or revocation if the temporary licensee violates the insurance laws of this state or if the interests of insureds or the public are endangered.
3. The temporary producer license allows the producer to operate in Michigan as a resident temporary producer. Temporary producers are not eligible for non-resident licenses in other states and are not eligible to sponsor another temporary producer licensee.
4. The temporary producer must have a licensed sponsor who assumes responsibility for all acts of the temporary licensee, including compliance with the Michigan Insurance Code and related regulations. The sponsor may be either:
 - a. A resident individual or business entity producer whose license is in good standing; or
 - b. An insurance company authorized to do business in Michigan which will assume all training and supervision responsibilities with respect to the temporary licensee. The sponsoring insurer must appoint the temporary producer and the temporary appointment will coincide with the duration of the temporary license. The temporary licensee is not required to be an employee of the insurance company but may also be an independent agent.
5. The sponsor must be authorized in the same line(s) of insurance the producer is applying for. The sponsor must maintain a record of all producers operating under a temporary license and business transacted by them. Sponsors should assist producers with completing the examination process once the current state of emergency has been lifted and the third-party examination vendors resume operations.
6. A temporary licensee sponsored by a resident individual or business entity producer must secure an appointment with an insurer prior to selling, soliciting, or negotiating insurance. This temporary appointment will coincide with the duration of the temporary license.
7. The sponsor must assure that the temporary producer licensee's sales activities and training are coordinated by a licensed insurance producer in good standing with DIFS or where applicable, a FINRA-licensed registered principal.
8. Any active temporary producer license issued pursuant to this Bulletin may be converted to a regular producer license by completion of all prerequisites of a license for the desired line or lines of insurance, including meeting all examination requirements under the Insurance Code. No additional fee shall be required in association with the issuance of the regular producer license unless additional lines of insurance are requested. Recipients of such temporary producer licenses will be subject to any and all limitations on the authority of such temporary licenses pursuant to Michigan law.

B. How to Apply for a Temporary License

Applicants for a temporary producer license must file an Electronic Resident Licensing (ERL) application through the National Insurance Producer Registry (NIPR). The license application fee is \$10.00 plus a \$5.00 transaction fee. In order to process a temporary producer license application, the sponsor must file the Request to Sponsor a Temporary Producer License Form and the accompanying Affidavit form.

Further information on applying for a temporary producer license and the Request to Sponsor a Temporary Producer License Form can be found on DIFS' website here: https://www.michigan.gov/difs/0,5269,7-303-98496_99128_99172_99362---,00.html

C. Remote Testing

Remote testing for Michigan license examinations is not currently available through DIFS' third-party vendor. However, as part of our ongoing efforts to respond to this pandemic, we are working with our third-party vendor to make remote testing available as soon as possible. Please continue to monitor DIFS website for updates on remote testing availability.

In all other respects, the entities and persons regulated to DIFS must continue to comply with all applicable statutory and regulatory deadlines and requirements unless such deadlines and requirements are expressly waived or modified by the Director.

Companies that experience difficulties meeting any statutory or regulatory deadline or requirement as a result of the COVID-19 pandemic should contact the Director immediately.

Any questions regarding this Bulletin should be directed to:

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