

TO: All Pennsylvania Insurers, Insurance Agencies and Interested Parties

SUBJECT: COVID-19 Guidance – Temporary Individual Resident Producer Licensure, Notice 2020-12

DATE: April 22, 2020

Due to the COVID-19 pandemic, all producer examination testing centers are currently closed in Pennsylvania and will remain closed until further notice. Therefore, in order to assure the continuity of certain vital insurance services and to address the disruption caused by the COVID-19 pandemic, the Pennsylvania Insurance Department (Department) is issuing this Notice to all Pennsylvania insurance companies, agencies and interested parties. Pursuant to section 609-A of Act 147 of 2002 (P.L. 118), 40 P.S. § 310.9, the Department will be commencing the issuance of temporary producer licenses to those qualifying individuals desiring to become Pennsylvania resident insurance producers.

The temporary licensing of individual resident insurance producers will be subject to the following terms and mandates:

Prerequisites for Temporary Licensure:

- An insurance company holding an active certificate of authority in Pennsylvania must sponsor (“Sponsoring Insurer”) the individual for temporary licensure. The individual need not be an employee of the insurance company but must be actively appointed to represent the Sponsoring Insurer. The sponsoring insurer must be authorized to write the line(s) of insurance in which the individual is applying. The appointment will be in effect only as long as the temporary license is valid.
- Temporary licensees will only be permitted to hold an appointment with one Sponsoring Insurer.
- Only the Sponsoring Insurer is permitted to submit applications on behalf of individuals for temporary licensure.
- Twenty-four credit hours of pre-licensing education must be completed by the individual prior to issuance of a temporary license, which may be administered by a Department-approved provider. While in-person, pre-licensing education has been temporarily suspended in Pennsylvania, web-based education is still available through Department-approved providers. If an individual is not able to find web-based, pre-licensing education through a Commonwealth provider, the Sponsoring Insurer must certify to the Department that the insurer has conducted twenty-four credit hours of its own pre-licensing education for the individual applicant.
- The individual seeking temporary licensure must complete the fingerprinting/background check process through the Department.

- An application fee of \$55 must be paid to the Department. If a temporary licensee takes and passes the appropriate producer licensing exam *prior* to the expiration of the temporary license, the Department will waive the application fee to become a fully-licensed resident producer without requiring an additional application or fingerprinting/background check.
- If a temporary licensee takes and passes the appropriate producer licensing exam *within six months after* the expiration of the temporary license, the temporary licensee must complete the fingerprinting/background check process through the Department to be fully-licensed as a resident producer. However, no additional fee or application is required.
- The Sponsoring Insurer will confirm to the Department that the temporary licensee's sales activities and training are coordinated by a fully-licensed Pennsylvania resident insurance producer in good standing with the Department or, where applicable, a FINRA licensed registered principal.

#### Terms and Conditions for Insurers and Temporary Producer Licensees:

- The temporary producer license allows the individual to operate in Pennsylvania as a resident temporary producer. Temporary producers are not eligible for non-resident licenses in other states.
- The temporary license is valid for no more than 180 days from the date of issuance. This temporary license is nontransferable and *cannot* be renewed.
- Each temporary licensee shall have only one Sponsoring Insurer and appointment.
- Individuals receiving a temporary license will receive notification from the Department of the issuance of the temporary individual resident producer license, along with all restrictions, entitlements and notice of expiration. Directions will be provided for how the licensee can print the license to show proof of temporary licensure.
- Pursuant to 40 P.S. § 310.9(d), the Department may revoke a temporary license if it is deemed in the public interest. Any founded violations of the Pennsylvania insurance law or regulations may result in immediate revocation of the temporary license.
- Any active temporary producer license issued by the Department may be converted to a regular producer license by completion of all prerequisites of a license for the desired lines of authority, including meeting all examination and fingerprint requirements pursuant to Pennsylvania statute.
- The Sponsoring Insurer must keep track of which licensees have been provided a temporary license in order to quickly move them through the exam and background process once testing centers are again available for use.

## How to Apply:

- Sponsoring Insurers must submit applications for the temporary license electronically at [www.sircon.com](http://www.sircon.com) through a subscriber account. To apply for the temporary license, the sponsoring insurer must be a Sircon account holder.
- If the Sponsoring Insurer does not have a Sircon account, go to [www.sircon.com/products/carriers/signup/](http://www.sircon.com/products/carriers/signup/) and follow the instructions to establish an account.
- Please direct any questions regarding Sircon carrier accounts to [sirconsupport@vertafore.com](mailto:sirconsupport@vertafore.com) or (877) 876-4430.

## Anticipated Timeline for Implementation and Duration:

- The Department anticipates being able to commence the temporary resident producer licensing process by the end of April.
- The application process will take approximately 20 to 25 days from pre-licensing education to issuance of the temporary license to the individual.
- This extended timeline is due to COVID-19 related delays in the processing of background checks. If those delays are alleviated, this timeline may be accelerated in the coming weeks.
- Pennsylvania insurers, agencies, and interested parties are encouraged to monitor the Department's website at [www.insurance.pa.gov](http://www.insurance.pa.gov) for periodic updates regarding the availability of the temporary license.
- The ability to apply for temporary licensure will remain in effect until which time that the Commissioner determines that temporary licensure is no longer in the public interest. However, previously-issued temporary licenses will still remain in effect until 180 days from the date of issuance.

## Note on Remote Testing:

- In response to the COVID-19 pandemic, the Department is currently working with its examination vendor to make remote electronic testing available and anticipates possible implementation in late summer or early fall.

If you have any questions about this notice, please reach out to our resource account at [ra-in-producer@pa.gov](mailto:ra-in-producer@pa.gov) or by phone at (717) 787-3840.

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