



PUBLIC PROTECTION CABINET

Andy Beshear
Governor

Department of Insurance
P.O. Box 517
Frankfort, Kentucky 40602-0517
1-800-595-6053
<http://insurance.ky.gov>

Kerry B. Harvey
Secretary

Ray A. Perry
Deputy Secretary

Sharon P. Clark
Commissioner

The following guidance is to advise the reader of the current position of the Kentucky Department of Insurance (“the Department”) on the specified issue.

TO: All Insurers, Agents, Surplus Lines Brokers, and other Licensed or Authorized Persons Transacting the Business of Insurance in Kentucky

FROM: Sharon P. Clark, Commissioner
Kentucky Department of Insurance

RE: Temporary Resident Agent Licenses for New Applicants

DATE: April 30, 2020

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The Kentucky Department of Insurance (“Department”) issues this guidance pursuant to Executive Order 2020-220, State of Emergency Relating to Insurance.

On March 6, 2020, Governor Beshear issued Executive Order 2020-215 declaring a State of Emergency due to the COVID-19 pandemic. On March 9, 2020, Governor Andy Beshear issued Executive Order 2020-220 giving the Commissioner of Insurance the authority to temporarily waive, suspend, and/or modify the operation of any statute or administrative regulation currently in place under the purview of the Kentucky Department of Insurance in order to best serve the interest of the public health, safety, and welfare during the state of emergency related to COVID-19.

On March 25, 2020 Governor Andy Beshear signed Executive Order 2020-257 ordering all non-life-sustaining businesses close. This resulted in all in person testing sites for agent licenses being closed.

Requirements for Temporary Licenses

The Department will issue temporary agent licenses to individual applicants meeting the requirements for licensure without requiring examination, subject to the following conditions:

1. To be eligible for an individual temporary agent license, an individual must:
 - Be a resident of Kentucky,
 - Submit an application for a regular agent license and examination,
 - Pay all license and exam fees,
 - Provide certificate of completion of Kentucky-approved pre-licensing course(s),
 - Provide criminal background report from Kentucky Administrative Office of the Courts (AOC),
 - Receive approval from DOI to schedule exam(s),
 - Not have failed a Kentucky agent examination within the last 12 months, and
 - Receive a sponsoring appointment, with appropriate fee, from an authorized insurance company.

2. Temporary agent licenses will be issued for a period of 180 days. The temporary licenses will not renew, but may be extended by the Department as necessary through the duration of the Executive Order. Temporary licenses will automatically expire 60 days after the Executive Order 2020-257 is lifted.

3. Temporary agent licenses will be terminated upon the loss of the sponsoring insurer appointment(s), and will not be re-issued.

4. Temporary agent licenses will be terminated upon failing an agent examination, and will not be re-issued.

5. Temporary agent 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.

6. The temporary agent license allows the agent to operate in Kentucky as a resident temporary agent. Temporary agents are not eligible for non-resident license in other states.

7. The temporary agent must be appointed by a sponsoring insurer authorized with the Department. In accordance with KRS 304.9-035, the sponsoring insurer assumes responsibility for all acts of the temporary licensee, and must assure that sales and training are under the supervision of a licensed agent in good standing. The sponsoring insurer must maintain a record of all agents operating under a temporary license, business transacted by them, and the name and license number of their supervising agent.

8. The temporary agent may not be designated to any licensed business entity.

9. In accordance with KRS 304.9-310 (3), a temporary license shall have the same license powers and duties as under a permanent license but shall not be obtained for the sole production of controlled business as defined in KRS 304.9-100, and no sale of insurance of any kind shall be made upon the licensee's own life or the lives of any relative by blood or marriage.

10. Any active temporary agent license issued pursuant to this guidance may be converted to a regular agent license by completion of all prerequisites of a license for the desired line or lines of insurance, including meeting all examination requirements pursuant to the applicable statutes. No additional fee shall be required in association with the issuance of the regular agent license.

11. An active sponsoring insurer appointment may be terminated by the insurer at any time by submitting Form 8302-TE to the Department. If the appointment of a temporary agent is not terminated by the sponsoring insurer, the active appointment will be converted to the regular agent license with no additional form or fee required.

How to Apply for a Temporary License

1. Applicants who have not yet applied for a regular agent license must do so through www.nipr.com. The regular application requires license and examination fees, AOC background report, and pre-licensing certification. The application must be approved by DOI before a temporary agent license will be considered.
2. A paper application for a temporary agent license must be completed in addition to the application for the regular agent license. The application for the temporary license may be found at this link: <http://insurance.ky.gov/PPC/Documents/20200430-1045.pdf>. The application must be submitted by email to DOI.AgentLicensingMail@ky.gov; or mail to KY Dept. of Insurance, Attn: Temporary Agent License, 500 Mero Street 2 SE 11, Mayo-Underwood Building, Frankfort, KY 40601. **NOTE** – no additional fee is required for the temporary agent license.
3. The sponsoring insurer must complete and mail Form 8302-AP found at this link: <http://insurance.ky.gov/PPC/Documents/Form8302-APAppointment.pdf>. The form and \$40 appointment fee must be mailed to KY Dept. of Insurance, Attn: Temporary Agent License, 500 Mero Street 2 SE 11, Mayo-Underwood Building, Frankfort, KY 40601. Make checks payable to KY State Treasurer. To terminate an appointment, insurer must use the appointment termination Form 8302-TE found at this link: <http://insurance.ky.gov/PPC/Documents/Form8302-TETermination.pdf>.

Questions should be directed to the Division of Agent Licensing at DOI.AgentLicensingMail@ky.gov or (502) 564-6004.

This guidance will be in effect until the Governor's Executive Order is lifted, in whole or in part, to permit testing sites to re-open.

/s/ Sharon P. Clark

Sharon P. Clark, Commissioner
Kentucky Department of Insurance

Attachment: Temporary Agent License FAQ



COMMONWEALTH OF KENTUCKY
Temporary Agent License
Frequently Asked Questions
<http://insurance.ky.gov>

1. What are the requirements for a temporary agent license?

To be eligible for an individual temporary agent license, an individual must:

- Be a resident of Kentucky,
- Submit an application for a regular agent license and examination through www.nipr.com,
- Pay all license and exam fees,
- Provide certificate of completion of Kentucky-approved pre-licensing course(s),
- Provide criminal background report from Kentucky Administrative Office of the Courts (AOC), and any applicable disclosure attachments,
- Receive approval from the Department of Insurance (DOI) to schedule exam(s),
- Not have failed a Kentucky agent examination within the last 12 months, and
- Receive a sponsoring appointment, with appropriate fee, from an authorized insurance company.

2. How do I apply for a temporary agent license? Is there a fee?

- Applicants who have not yet applied for a regular agent license must do so through www.nipr.com. The regular application requires license and examination fees, AOC background report, and pre-licensing certification. The application must be approved by DOI before a temporary agent license will be considered.
- A paper application for a temporary agent license must be completed in addition to the application for the regular agent license. The application for the temporary license may be found at this link: <http://insurance.ky.gov/PPC/Documents/20200430-1045.pdf>. The application must be submitted by email to DOI.AgentLicensingMail@ky.gov; or mail to KY Dept. of Insurance, Attn: Temporary Agent License, 500 Mero Street 2 SE 11, Mayo-Underwood Building, Frankfort, KY 40601. **NOTE** – no additional fee is required for the temporary agent license.
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3. What if I failed an insurance exam last year? Can I still get a temporary license?

If you failed any insurance examination within the last 12 months, you are not eligible for a temporary agent license.

4. What can I do with a temporary agent license?

A temporary license has the same license powers and duties as under a permanent license, and business will be under the guidance of a supervising, licensed agent. The temporary agent license shall not be obtained for the sole production of controlled business as defined in KRS 304.9-100, and no sale of insurance of any kind shall be made upon the licensee's own life or the lives of any relative by blood or marriage.

5. Will the license be issued if I don't have a sponsoring insurance company?

No. The license will only be made active upon the appointment from a Kentucky-authorized insurance company.

6. Can I submit the company appointment form and fee for myself?

The appointment form is valid only when submitted by the insurance company, signed by their authorized representative, and includes the appointment fee.

7. When is the license expired or terminated?

The temporary license is issued for 180-days. It will not renew, but may be extended by the Department as necessary through the duration of the Executive Order. Temporary licenses will automatically expire 60 days after the Executive Order 2020-257 is lifted, or when the regular agent license is issued upon passing the insurance exam.

The temporary license will be terminated upon the loss of the sponsoring insurance company appointment.

Temporary agent 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.

Once terminated for any reason, you may not reapply for a temporary agent license.

8. When Executive Order 2020-257 is lifted, can I schedule an exam even though I hold a temporary license?

Yes, when the Executive Order is lifted, and insurance testing sites are opened, you may schedule an exam, while you hold the temporary agent license. If the exam is passed, the regular agent license will be issued, and the temporary license will expire. If the exam is failed, the temporary agent license will be terminated immediately.

9. Can I apply for a temporary agent license at the same time I apply for a regular agent license?

Yes, the regular agent application will be processed first. All requirements must be met and the application approved, before you are eligible for the temporary agent license.

10. Can I get a temporary agent license in another state with this Kentucky temporary license?

No, this temporary license is for Kentucky residents to work in Kentucky only. It is not valid for reciprocity in other states.

Please contact the Agent Licensing Division with any additional questions – DOI.AgentLicensingMail@ky.gov, or (502) 564-6004.