

Temporary Individual Insurance Producer Licenses during the COVID-19 (Coronavirus) Health Crisis

Requirements for a Temporary Individual Insurance Producer License

In response to the COVID-19 public health crisis, a state of emergency was declared by Governor Baker on March 10, 2020 (Executive Order No. 591) (“State of Emergency”). COVID-19 has caused the suspension of insurance producer licensing exams in Massachusetts because the Division’s insurance examination provider, Prometric, has closed its testing centers until at least May 1, 2020. The suspension of producer licensing exams has resulted in some prospective new applicants being unable to obtain an insurance license and secure employment. M.G.L. c. 175, § 162Q authorizes the Commissioner of Insurance to issue a temporary insurance producer license without requiring an examination when the temporary license is necessary for the servicing of insurance business and the public interest will best be served by the issuance of the temporary license.

To address the current inability of new applicants to obtain an insurance producer license in Massachusetts, effective immediately and during the State of Emergency, the Division will issue Temporary Insurance Producer Licenses in accordance with M.G.L. c. 175, § 162Q and Bulletin 2020-15 to applicants meeting the requirements for licensure without requiring examination.

Qualifications of Applicants for a Temporary Insurance Producer License

1. Must be a resident of Massachusetts.
2. Must be appointed by a sponsoring insurer who assumes responsibilities for all acts of the temporary licensee pursuant to M.G.L. c. 175, § 162Q(b). This temporary appointment will coincide with the duration of the temporary license.

Limitation of Temporary Insurance Producer License

1. Temporary insurance producer licenses will automatically expire on the earlier of 90 days after the State of Emergency is terminated or 180 days from the date of issue (no exceptions). A Temporary Insurance Producer License is not renewable.
2. Temporary insurance producer licenses are subject to cancellation or revocation if the temporary licensee violates the insurance laws of the Commonwealth or if the interests of insureds or the public are endangered.
3. A temporary insurance producer license allows the producer to operate in Massachusetts as a resident temporary producer. Temporary producers are not eligible for non-resident licenses in other states.
4. A temporary insurance producer license is convertible to an equivalent traditional insurance producer license by completion of all prerequisites of a license for the desired line or lines of insurance, including meeting all examination and background qualification requirements prior to the expiration of the temporary insurance producer license. No additional fee shall be required in association with the issuance of the regular producer license.

Sponsoring Insurer Responsibilities

The sponsoring insurer must maintain a record of all producers operating under a temporary license and business transacted by them. Sponsoring insurers should assist producers with moving through the examination and background check process more quickly once the current State of Emergency has been lifted. The sponsoring insurer must assure that the temporarily licensed producers' sales activities and training are coordinated by a licensed insurance producer in good standing with the Division or where applicable, a FINRA-licensed registered principal.