




South Carolina Department of Insurance
1201 Main Street, Suite 1000
Columbia, SC 29201

Mailing Address
P.O. Box 100105
Columbia, SC 29202

BULLETIN NUMBER 2020-03

TO: All Insurers, Producers, Surplus Lines Brokers, Bail Bondsmen, and other Licensed or Authorized Persons Transacting the Business of Insurance in South Carolina

FROM: Raymond G. Farmer
Director of Insurance 

RE: Temporary Producer Licenses for New Applicants; Extension of Compliance Deadlines and License Renewals

DATE: April 2, 2020

As you are aware, Governor Henry McMaster declared a State of Emergency due to the 2019 Novel Coronavirus (“COVID-19”) on March 13, 2020. COVID-19 continues to disrupt the daily lives and business operations of many South Carolinians and threatens the public health and welfare of citizens of this state. It has also substantially impacted some South Carolina insureds, licensees, claimants, and other covered persons.

As part of the Department’s ongoing efforts to respond to this pandemic, this bulletin advises all insurers, producers, surplus lines brokers, bail bondsmen, and other licensed or authorized individuals and entities of the actions taken by this Department to process licenses, address issues related to services provided by third-party vendors, and extend compliance deadlines.

I. TEMPORARY PRODUCER LICENSES

Third-party vendors under contract with the Department to provide producer examination and fingerprinting services have suspended, and are continuing to suspend, operations and/or close facilities in response to the COVID-19 pandemic. Although certain third-party vendors could be considered essential during the pandemic and may have the ability to open locations on a limited basis, they have agreed not to do so due to the risks associated with COVID-19 and group testing. The suspension of operations and/or closure of facilities by these third-party vendors has resulted in some prospective new applicants being unable to obtain an insurance license and secure employment. Under the authority of South Carolina Code §38-43-102, I have found that circumstances exist where the public interest will best be served by the issuance of temporary insurance producer licenses.

Governor Henry McMaster

Director Raymond G. Farmer



A. Requirements for Temporary Licenses

Effective immediately, the Department will issue temporary producer licenses to applicants meeting the requirements for licensure without requiring examination or fingerprinting, subject to the following conditions:

1. Temporary producer licenses will be issued for a period of up to 180 days. These temporary licenses will be active for the duration of the current State of Emergency related to COVID-19. Temporary licenses will automatically expire thirty days after the State of Emergency is lifted by the Governor and third-party vendors are permitted to resume operations.
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 South Carolina as a resident temporary producer. Temporary producers are not eligible for non-resident licenses in other states.
4. The temporary producer must be appointed by a sponsoring insurer who assumes responsibility for all acts of the temporary licensee. This temporary appointment will coincide with the duration of the temporary license. 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 and the third-party examination and fingerprinting vendors resume operations.
5. 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 Department or where applicable, a FINRA-licensed registered principal.
6. 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 and fingerprint requirements pursuant to the applicable statutes. No additional fee shall be required in association with the issuance of the regular producer license.

Recipients of such temporary producer licenses will be subject to any and all limitations on the authority of such temporary licenses pursuant to South Carolina law.

B. How to Apply for A Temporary License

Until further notice, applicants for a temporary producer license must submit a hard-copy application with a check via United States mail. The Department is currently working with the National Insurance Producer Registry (NIPR) to enable electronic applications via their website at www.nipr.com. New applicants should continue to check our website at www.doi.sc.gov and/or our social media outlets for updates regarding the availability of online applications.

Bulletins are the method by which the Director of Insurance formally communicates with persons and entities regulated by the Department. Bulletins are Departmental interpretations of South Carolina insurance laws and regulations and provide guidance on the Department's enforcement approach. Bulletins do not provide legal advice. Readers should consult applicable statutes and regulations or contact an attorney for legal advice or for additional information on the impact of that legislation on their specific situation.

In order to process temporary producer license applications via mail, applicants must submit a completed producer application along with a check for the \$25 license fee. A hard-copy appointment form, completed by the sponsoring insurer, must also be submitted to our office with the appropriate fee (\$40 local, \$100 general, or \$20 travel). The producer application and insurer appointment form may be found on our website at www.doi.sc.gov/producer. To expedite the temporary licensing process, sponsoring insurers should mail the completed producer application, appointment form, and required fees in one package. This will enable the Department to timely process temporary producer applications.

C. Remote Testing

Remote testing for South Carolina license examinations is not currently available through the Department's 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. Our goal is to offer remote testing for new applicants by July 2020.

II. EXTENSION OF COMPLIANCE DEADLINES

Effective immediately, the following compliance deadlines will be extended:

A. License Renewals

On March 20, 2020, the Director authorized a thirty-day extension of the March and April producer license renewal deadlines. Due to the persistent and ongoing nature of the current emergency, the Director is granting ninety-day extensions for all upcoming license renewals, including March and April licenses. Set forth below is a summary of the new compliance deadlines:

- March licenses (active insurance producers) – Expiration date of June 30, 2020.
- April licenses (active insurance producers) – Expiration date of July 31, 2020.
- May licenses (active insurance producers and surplus lines brokers) – Expiration date of August 31, 2020.
- June licenses (active insurance producers, bail bondsmen and runners) – Expiration date of September 30, 2020.

If a producer fails to renew his or her license before the expiration of the deadlines stated above, the license will expire as of that date.

B. Continuing Insurance Education

Deadlines for complying with CE requirements correspond to the deadlines for license renewals above. Continuing education providers are still offering online courses so that licensees may complete any applicable continuing education requirements. The Department is waiving any in-person proctoring requirements for continuing education until the current State of Emergency

Bulletins are the method by which the Director of Insurance formally communicates with persons and entities regulated by the Department. Bulletins are Departmental interpretations of South Carolina insurance laws and regulations and provide guidance on the Department's enforcement approach. Bulletins do not provide legal advice. Readers should consult applicable statutes and regulations or contact an attorney for legal advice or for additional information on the impact of that legislation on their specific situation.

related to COVID-19 is lifted by the Governor and third-party vendors are permitted to resume operations. Continuing education requirements can be met by completing self-study courses or classroom equivalent webinars.

III. BAIL BONDSMEN CONTINUING EDUCATION AND FINGERPRINT DOCUMENTATION

Pursuant to Section II of Bulletin 2016-08, all professional and surety bondsmen (bondsmen) and runners are required to annually submit proof of compliance documentation for continuing education and fingerprinting by May 15th. Due to the State of Emergency, the May 15, 2020 compliance deadline for this documentation is extended until September 30, 2020.

Furthermore, beginning with the 2021 renewals, and annually thereafter, continuing education and fingerprint documentation must be submitted with the licensee's renewal application during the annual renewal period in June. This Bulletin modifies, supersedes, and replaces the continuing education and fingerprint documentation annual deadline of May 15th as set forth in Bulletin 2016-08.

IV. QUESTIONS

The Licensing and Continuing Education Division is operational and continues to process applications and renewals. You may direct bondsmen-related questions to Rachel Johnson, Program Manager, Specialty Licensing Services, at rjohnson@doi.sc.gov. All other questions about the content of this bulletin may be directed to the attention of Andrea Bourgoïn, Program Manager, Licensing and Continuing Education Services, at abourgoïn@doi.sc.gov.