

As Passed by the House

132nd General Assembly

Regular Session

2017-2018

Sub. S. B. No. 169

Senator Wilson

Cosponsors: Senators Eklund, Hackett, Hottinger, Bacon, Burke, Coley, Hoagland, Huffman, Manning, O'Brien, Oelslager, Terhar, Thomas Representatives Anielski, Ashford, Boyd, Craig, Green, Holmes, Kent, Lepore-Hagan, Rogers, Schaffer, Scherer, Schuring, Seitz, Sprague

A BILL

To amend sections 3901.32, 3903.01, 3903.05, 1
3903.26, 3905.01, 3905.06, and 3905.40 and to 2
enact sections 3901.352 and 3905.064 of the 3
Revised Code to permit the Superintendent of 4
Insurance to act as or select a group-wide 5
supervisor for an internationally active 6
insurance group, regarding delinquency 7
proceedings involving insurer-members of federal 8
home loan banks, and to oversee the sale of 9
travel insurance. 10

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 3901.32, 3903.01, 3903.05, 11
3903.26, 3905.01, 3905.06, and 3905.40 be amended and sections 12
3901.352 and 3905.064 of the Revised Code be enacted to read as 13
follows: 14

Sec. 3901.32. As used in sections 3901.32 to 3901.37 of 15
the Revised Code: 16

(A) "Affiliate of" or "affiliated with" a specific person 17
means a person that, directly or indirectly, through one or more 18
intermediaries, controls, is controlled by, or is under common 19
control with, the person specified. 20

(B) "Control," including "controlling," "controlled by," 21
and "under common control with," means the possession, direct or 22
indirect, of the power to direct or cause the direction of the 23
management and policies of a person, whether through the 24
ownership of voting securities, by contract other than a 25
commercial contract for goods or nonmanagement services, or 26
otherwise, unless the power is the result of an official 27
position with or corporate office held by the person. Control 28
shall be presumed to exist if any person, directly or 29
indirectly, owns, controls, holds with the power to vote, or 30
holds proxies representing, ten per cent or more of the voting 31
securities of any other person. This presumption may be rebutted 32
by a showing made in the manner provided in division (J) of 33
section 3901.33 of the Revised Code that control does not exist 34
in fact. The superintendent of insurance may determine, after 35
furnishing all persons in interest notice and opportunity to be 36
heard and making specific findings of fact to support such 37
determination, that control exists in fact, notwithstanding the 38
absence of a presumption to that effect. 39

(C) "Enterprise risk" means any activity, circumstance, 40
event, or series of events involving one or more affiliates of 41
an insurer that, if not remedied promptly, is likely to have a 42
materially adverse effect on the financial condition or 43
liquidity of the insurer or its insurance holding company system 44
as a whole. "Enterprise risk" includes anything that would cause 45
the insurer's risk-based capital to fall into company action 46
level as set forth in section 3903.83 of the Revised Code or 47

would cause the insurer to be in a hazardous financial 48
condition. 49

(D) "Group-wide supervisor" means the regulatory official 50
who is authorized by the superintendent to conduct and 51
coordinate group-wide supervision of an internationally active 52
insurance group and who is determined by the superintendent 53
pursuant to division (A) of section 3901.352 of the Revised Code 54
to have sufficient contacts with the internationally active 55
insurance group. 56

(E) "Insurance holding company system" means two or more 57
affiliated persons, one or more of which is an insurer. 58

~~(E)~~ (F) "Insurer" means any person engaged in the business 59
of insurance, guaranty, or membership, an inter-insurance 60
exchange, a mutual or fraternal benefit society, or a health 61
insuring corporation. "Insurer" does not include any agency, 62
authority, or instrumentality of the United States, its 63
possessions and territories, the Commonwealth of Puerto Rico, 64
the District of Columbia, or a state or political subdivision of 65
a state. 66

~~(F)~~ (G) "Internationally active insurance group" means an 67
insurance holding company system that includes an insurer 68
registered under section 3901.33 of the Revised Code and that 69
meets all of the following criteria: 70

(1) Insurers that are part of the insurance holding 71
company system write premiums in at least three countries. 72

(2) The percentage of gross premiums written outside the 73
United States by the insurance holding company system is at 74
least ten per cent of the system's total gross written premiums. 75

(3) Based on a three-year rolling average, either the 76

total assets of the insurance holding company system are at 77
least fifty billion dollars, or the total gross written premiums 78
of the insurance holding company system are at least ten billion 79
dollars. 80

(H) "Person" means an individual, a corporation, a 81
partnership, an association, a joint stock company, a trust, an 82
unincorporated organization, any similar entity, or any 83
combination of the foregoing acting in concert. 84

~~(G)~~ (I) "Subsidiary" of a specified person is an affiliate 85
controlled by such person, directly or indirectly, through one 86
or more intermediaries. 87

~~(H)~~ (J) "Voting security" includes any security 88
convertible into or evidencing a right to acquire a voting 89
security. 90

Sec. 3901.352. (A) (1) The superintendent of insurance is 91
authorized to act as the group-wide supervisor for any 92
internationally active insurance group in accordance with this 93
section. However, the superintendent may otherwise acknowledge a 94
regulatory official from another jurisdiction as the group-wide 95
supervisor for an internationally active insurance group, if the 96
group meets any of the following conditions: 97

(a) Does not have substantial insurance operations in the 98
United States; 99

(b) Has substantial operations in the United States, but 100
not in this state; 101

(c) Has substantial insurance operations in the United 102
States and this state, but the superintendent has determined 103
pursuant to the factors set forth in divisions (B) and (F) of 104
this section that the other regulatory official is the 105

appropriate group-wide supervisor. 106

(2) An insurance holding company system that does not 107
otherwise qualify as an internationally active insurance group 108
may request that the superintendent make a determination or 109
acknowledgment as to a group-wide supervisor for the insurance 110
holding company system pursuant to this section. 111

(B) (1) In cooperation with other state, federal, and 112
international regulatory agencies, the superintendent shall 113
identify one group-wide supervisor for each internationally 114
active insurance group. The superintendent may determine that 115
the superintendent is the appropriate group-wide supervisor for 116
an internationally active insurance group that conducts 117
substantial insurance operations concentrated in this state. 118
However, the superintendent may acknowledge that a regulatory 119
official from another jurisdiction is the appropriate group-wide 120
supervisor for the internationally active insurance group. The 121
superintendent shall consider the following factors when making 122
a determination or acknowledgment under division (B) (1) of this 123
section: 124

(a) The place of domicile of the insurers within the 125
internationally active insurance group that hold the largest 126
share of the group's written premiums, assets, or liabilities; 127

(b) The place of domicile of the top-tiered insurer in the 128
internationally active insurance group's insurance holding 129
company system; 130

(c) The location of the executive offices or largest 131
operational offices of the internationally active insurance 132
group; 133

(d) For the purposes of division (C) (1) of this section, 134

whether another regulatory official is acting or is seeking to 135
act as the group-wide supervisor for the internationally active 136
insurance group under a regulatory system that the 137
superintendent determines to be either of the following: 138

(i) Substantially similar to the regulatory system under 139
the laws of this state; 140

(ii) Otherwise sufficient in terms of providing for group- 141
wide supervision, enterprise risk analysis, and cooperation with 142
other regulatory officials. 143

(e) Whether another regulatory official acting, or seeking 144
to act, as the group-wide supervisor for the internationally 145
active insurance group provides the superintendent with 146
reasonably reciprocal recognition and cooperation. 147

(2) If the superintendent is identified in division (B) (1) 148
of this section as the group-wide supervisor of an 149
internationally active insurance group, the superintendent may 150
determine that it is appropriate to acknowledge another 151
supervisor to serve as the group-wide supervisor. The 152
acknowledgment of the new group-wide supervisor shall be made in 153
accordance with all of the following: 154

(a) After consideration of the factors listed in division 155
(B) (1) of this section; 156

(b) In cooperation with and subject to the acknowledgment 157
of other regulatory officials involved with supervision of 158
members of the internationally active insurance group; 159

(c) In consultation with the internationally active 160
insurance group. 161

(C) (1) Notwithstanding any other provision of law, when 162

another regulatory official is acting as the group-wide 163
supervisor of an internationally active insurance group, the 164
superintendent shall acknowledge that regulatory official as the 165
group-wide supervisor. 166

(2) The superintendent shall make a determination or 167
acknowledgment under division (B) of this section as to the 168
appropriate group-wide supervisor for an internationally active 169
insurance group if a material change in the internationally 170
active insurance group results in either of the following: 171

(a) The internationally active insurance group's insurers 172
domiciled in this state holding the largest share of the group's 173
premiums, assets, or liabilities; 174

(b) This state being the place of domicile of the top- 175
tiered insurer in the internationally active insurance group's 176
insurance holding company system. 177

(D) (1) Pursuant to section 3901.35 of the Revised Code, 178
the superintendent may collect from any insurer registered under 179
section 3901.33 of the Revised Code all information necessary to 180
determine whether the superintendent may act as the group-wide 181
supervisor of an internationally active insurance group or if 182
the superintendent may acknowledge another regulatory official 183
to act as the group-wide supervisor. 184

(2) Prior to issuing a determination that an 185
internationally active insurance group is subject to group-wide 186
supervision by the superintendent, the superintendent shall 187
notify the insurer registered under section 3901.33 of the 188
Revised Code and the ultimate controlling person within the 189
internationally active insurance group. The superintendent shall 190
give the internationally active insurance group not less than 191

thirty days to provide the superintendent with additional 192
information pertinent to the pending determination. 193

(3) The superintendent shall publish on its internet web 194
site the identity of internationally active insurance groups 195
that the superintendent has determined are subject to group-wide 196
supervision by the superintendent. 197

(E) If the superintendent is the group-wide supervisor for 198
an internationally active insurance group, the superintendent 199
may engage in any of the following activities: 200

(1) Assess the enterprise risks within the internationally 201
active insurance group to ensure all of the following: 202

(a) That the material financial condition and liquidity 203
risks to members of the internationally active insurance group 204
that are engaged in the business of insurance are identified by 205
management; 206

(b) That reasonable and effective mitigation measures are 207
in place. 208

(2) Request from any member of an internationally active 209
insurance group subject to the superintendent's supervision 210
information necessary and appropriate to assess enterprise risk, 211
including information about the members of the internationally 212
active insurance group regarding all of the following: 213

(a) Governance, risk assessment, and management; 214

(b) Capital adequacy; 215

(c) Material intercompany transactions. 216

(3) Coordinate and, through the authority of the 217
regulatory officials of the jurisdictions in which members of 218

the internationally active insurance group are domiciled, compel 219
development and implementation of reasonable measures designed 220
to ensure that the internationally active insurance group is 221
able to timely recognize and mitigate enterprise risks to 222
members of the internationally active insurance group that are 223
engaged in the business of insurance; 224

(4) Communicate with other state, federal, and 225
international regulatory agencies for members of the 226
internationally active insurance group and share relevant 227
information, subject to the confidentiality provisions of 228
section 3901.36 of the Revised Code, through a supervisory 229
college as set forth in section 3901.351 of the Revised Code or 230
otherwise; 231

(5) Enter into agreements with or obtain documentation 232
from any insurer registered under section 3901.33 of the Revised 233
Code, any member of the internationally active insurance group, 234
and any other state, federal, and international regulatory 235
agency for members of the internationally active insurance 236
group, that provides the basis for or otherwise clarifies the 237
superintendent's role as group-wide supervisor. The agreements 238
or documentation may include provisions for resolving disputes 239
with other regulatory officials. The agreements or documentation 240
shall not serve as evidence in any proceeding to show that any 241
insurer or person within an insurance holding company system not 242
domiciled or incorporated in this state is doing business in 243
this state or is otherwise subject to jurisdiction in this 244
state. 245

(6) Any other group-wide supervision activities consistent 246
with this section that the superintendent considers necessary. 247

(F) If the superintendent acknowledges that another 248

regulatory official from a jurisdiction that is not accredited 249
by the national association of insurance commissioners is the 250
group-wide supervisor of an internationally active insurance 251
group, the superintendent may reasonably cooperate, through a 252
supervisory college as set forth in section 3901.351 of the 253
Revised Code or otherwise, with group-wide supervision 254
undertaken by the group-wide supervisor if all of the following 255
are true: 256

(1) The superintendent's cooperation is in compliance with 257
the Revised Code. 258

(2) The regulatory official also recognizes and cooperates 259
with the superintendent's activities as a group-wide supervisor 260
for other internationally active insurance groups, as 261
applicable. If such recognition and cooperation is not 262
reasonably reciprocal, the superintendent may refuse to 263
recognize and cooperate with the regulatory official as group- 264
wide supervisor. 265

(G) The superintendent may enter into agreements with or 266
obtain documentation from any insurer registered under section 267
3901.33 of the Revised Code, any affiliate of the insurer, and 268
other state, federal, and international regulatory agencies for 269
members of the internationally active insurance group that 270
provides the basis for or otherwise clarifies a regulatory 271
official's role as group-wide supervisor of an internationally 272
active insurance group. 273

(H) An insurer registered under section 3901.33 of the 274
Revised Code shall be liable for and shall pay the reasonable 275
expenses of the superintendent's participation in the 276
administration of this section, including engaging attorneys, 277
actuaries, and any other professionals and all reasonable travel 278

<u>expenses.</u>	279
<u>(I) The superintendent may adopt rules in accordance with</u>	280
<u>Chapter 119. of the Revised Code as necessary to implement this</u>	281
<u>section.</u>	282
Sec. 3903.01. As used in sections 3903.01 to 3903.59 of	283
the Revised Code:	284
(A) "Admitted assets" means investment in assets which	285
will be admitted by the superintendent of insurance pursuant to	286
the law of this state.	287
(B) "Affiliate" has the same meaning as "affiliate of" or	288
"affiliated with," as defined in section 3901.32 of the Revised	289
Code.	290
(C) "Assets" means all property, real and personal, of	291
every nature and kind whatsoever or any interest therein.	292
(D) "Ancillary state" means any state other than a	293
domiciliary state.	294
(E) "Commodity contract" means any of the following:	295
(1) A contract for the purchase or sale of a commodity for	296
future delivery on, or subject to the rules of, a board of trade	297
designated as a contract market by the commodity futures trading	298
commission under the "Commodity Exchange Act," 7 U.S.C. 1 et	299
seq., as amended, or a board of trade outside the United States;	300
(2) An agreement that is subject to regulation under	301
section 19 of the "Commodity Exchange Act," 7 U.S.C. 23, as	302
amended, and that is commonly known to the commodities trade as	303
a margin account, margin contract, leverage account, or leverage	304
contract;	305

(3) An agreement or transaction that is subject to regulation under section 4c(b) of the "Commodity Exchange Act," 7 U.S.C. 6c(b), as amended, and that is commonly known to the commodities trade as a commodity option;	306 307 308 309
(4) Any combination of agreements or transactions described in division (E) of this section;	310 311
(5) Any option to enter into an agreement or transaction described in division (E) of this section.	312 313
(F) "Creditor" means a person having any claim, whether matured or unmatured, liquidated or unliquidated, secured or unsecured, absolute, fixed, or contingent.	314 315 316
(G) "Delinquency proceeding" means any proceeding commenced against an insurer for the purpose of liquidating, rehabilitating, reorganizing, or conserving the insurer, and any summary proceeding under section 3903.09 or 3903.10 of the Revised Code. "Formal delinquency proceeding" means any liquidation or rehabilitation proceeding.	317 318 319 320 321 322
(H) "Doing business" includes any of the following acts, whether effected by mail or otherwise:	323 324
(1) The issuance or delivery of contracts of insurance to persons resident in this state;	325 326
(2) The solicitation of applications for such contracts, or other negotiations preliminary to the execution of such contracts;	327 328 329
(3) The collection of premiums, membership fees, assessments, or other consideration for such contracts;	330 331
(4) The transaction of matters subsequent to execution of such contracts and arising out of them;	332 333

(5) Operating under a license or certificate of authority,	334
as an insurer, issued by the department of insurance.	335
(I) "Domiciliary state" means the state in which an	336
insurer is incorporated or organized, or, in the case of an	337
alien insurer, its state of entry.	338
(J) "Fair consideration" is given for property or	339
obligation when either of the following apply:	340
(1) When in exchange for such property or obligation, as a	341
fair equivalent therefor, and in good faith, property is	342
conveyed, services are rendered, an obligation is incurred, or	343
an antecedent debt is satisfied;	344
(2) When such property or obligation is received in good	345
faith to secure a present advance or antecedent debt in an	346
amount not disproportionately small as compared to the value of	347
the property or obligation obtained.	348
(K) <u>"Federal home loan bank" means an institution</u>	349
<u>chartered under the "Federal Home Loan Bank Act of 1932," 12</u>	350
<u>U.S.C. 1421, et seq.</u>	351
<u>(L)</u> "Foreign country" means any other jurisdiction not in	352
any state.	353
(L) <u>(M)</u> "Forward contract" has the same meaning as in the	354
federal "Deposit Insurance Act," 64 Stat. 884, 12 U.S.C. 1821(e)	355
(8) (D), as now and hereafter amended.	356
(M) <u>(N)</u> "Guaranty association" means the Ohio insurance	357
guaranty association created by section 3955.06 of the Revised	358
Code and any other similar entity hereafter created by the	359
general assembly for the payment of claims of insolvent	360
insurers. "Foreign guaranty association" means any similar	361

entities now in existence in or hereafter created by the 362
legislature of any other state. 363

~~(N)~~(O) "Insolvency" or "insolvent" means: 364

(1) For an insurer issuing only assessable fire insurance 365
policies either of the following: 366

(a) The inability to pay any obligation within thirty days 367
after it becomes payable; 368

(b) If an assessment is made within thirty days after such 369
date, the inability to pay the obligation thirty days following 370
the date specified in the first assessment notice issued after 371
the date of loss. 372

(2) For any other insurer, that it is unable to pay its 373
obligations when they are due, or when its admitted assets do 374
not exceed its liabilities plus the greater of either of the 375
following: 376

(a) Any capital and surplus required by law for its 377
organization; 378

(b) The total par or stated value of its authorized and 379
issued capital stock. 380

(3) As to any insurer licensed to do business in this 381
state as of the effective date of sections 3903.01 to 3903.59 of 382
the Revised Code that does not meet the standard established 383
under division (N) (2) of this section, the term "insolvency" or 384
"insolvent" means, for a period not to exceed three years from 385
the effective date of sections 3903.01 to 3903.59 of the Revised 386
Code, that it is unable to pay its obligations when they are due 387
or that its admitted assets do not exceed its liabilities plus 388
any required capital contribution ordered by the superintendent 389

under provisions of Title XXXIX of the Revised Code. 390

(4) For purposes of divisions (N) (2) to (4) of this 391
section, "liabilities" includes, but is not limited to, reserves 392
required by statute or by rules of the superintendent or 393
specific requirements imposed by the superintendent upon a 394
subject company at the time of admission or subsequent thereto. 395

~~(O)~~ (P) "Insurer" means any person who has done, purports 396
to do, is doing, or is licensed to do an insurance business, and 397
is or has been subject to the authority of, or to liquidation, 398
rehabilitation, reorganization, supervision, or conservation by, 399
any insurance commissioner, superintendent, or equivalent 400
official. For purposes of sections 3903.01 to 3903.59 of the 401
Revised Code, any other persons included under section 3903.03 402
of the Revised Code are deemed to be insurers. 403

~~(P)~~ (Q) "Netting agreement" means: 404

(1) A contract or agreement, including a master agreement, 405
and any terms and conditions incorporated by reference in such a 406
contract or agreement, that provides for the netting, 407
liquidation, setoff, termination, acceleration, or close out 408
under or in connection with a qualified financial contract, or 409
any present or future payment or delivery obligations or 410
entitlements under a qualified financial contract, including 411
liquidation or close-out values relating to those obligations or 412
entitlements; 413

(2) A master agreement, together with all schedules, 414
confirmations, definitions, and addenda to the agreement and 415
transactions under the agreement, which shall be treated as one 416
netting agreement, and any bridge agreement for one or more 417
master agreements; 418

(3) Any security agreement or arrangement, credit support 419
document, or guarantee or reimbursement obligation related to 420
any contract or agreement described in division (P) of this 421
section. 422

Any contract or agreement described in division (P) of 423
this section relating to agreements or transactions that are not 424
qualified financial contracts shall be deemed to be a netting 425
agreement only with respect to those agreements or transactions 426
that are qualified financial contracts. 427

~~(Q)~~(R) "Preferred claim" means any claim with respect to 428
which the terms of sections 3903.01 to 3903.59 of the Revised 429
Code accord priority of payment from the assets of the insurer. 430

~~(R)~~(S) "Qualified financial contract" means any commodity 431
contract, forward contract, repurchase agreement, securities 432
contract, swap agreement, and any similar agreement that the 433
superintendent may determine by rule or order to be a qualified 434
financial contract for purposes of this chapter. 435

~~(S)~~(T) "Reciprocal state" means any state other than this 436
state in which in substance and effect division (A) of section 437
3903.18, and sections 3903.52, 3903.53, and 3903.55 to 3903.57 438
of the Revised Code are in force, in which provisions are in 439
force requiring that the superintendent or equivalent official 440
be the receiver, liquidator, rehabilitator, or conservator of a 441
delinquent insurer, and in which some provision exists for the 442
avoidance of fraudulent conveyances and preferential transfers. 443

~~(T)~~(U) "Repurchase agreement" has the same meaning as in 444
the federal "Deposit Insurance Act," 64 Stat. 884, 12 U.S.C. 445
1821(e) (8) (D), as now and hereafter amended. 446

~~(U)~~(V) "Secured claim" means any claim secured by 447

mortgage, trust deed, security agreement, pledge, deposit as 448
security, escrow, or otherwise, but not including special 449
deposit claims or claims against assets. The term also includes 450
claims which have become liens upon specific assets by reason of 451
judicial process. 452

~~(V)~~(W) "Securities contract" has the same meaning as in 453
the federal "Deposit Insurance Act," 64 Stat. 884, 12 U.S.C. 454
1821(e) (8) (D), as now and hereafter amended. 455

~~(W)~~(X) "Special deposit claim" means any claim secured by 456
a deposit made pursuant to statute for the security or benefit 457
of a limited class or classes of persons, but not including any 458
claim secured by assets. 459

~~(X)~~(Y) "State" has the meaning set forth in division (G) 460
of section 1.59 of the Revised Code. 461

~~(Y)~~(Z) "Superintendent" or "superintendent of insurance" 462
means the superintendent of insurance of this state, or, when 463
the context requires, the superintendent or commissioner of 464
insurance, or equivalent official, of another state. 465

~~(Z)~~(AA) "Swap agreement" has the same meaning as in the 466
federal "Deposit Insurance Act," 64 Stat. 884, 12 U.S.C. 1821(e) 467
(8) (D), as now and hereafter amended. 468

~~(AA)~~(BB) "Transfer" includes the sale and every other and 469
different mode, direct or indirect, of disposing of or of 470
parting with property or with an interest in property, or with 471
the possession of property or of fixing a lien upon property or 472
upon an interest in property, absolutely or conditionally, 473
voluntarily, or by or without judicial proceedings. The 474
retention of a security title to property delivered to a debtor 475
shall be deemed a transfer suffered by the debtor. 476

Sec. 3903.05. (A) Upon complaint or motion of any	477
receiver, conservator, rehabilitator, or liquidator appointed in	478
a proceeding under sections 3903.01 to 3903.59 of the Revised	479
Code, any court of general jurisdiction may issue a temporary	480
restraining order, a preliminary injunction, a permanent	481
injunction, or such other orders that the court considers	482
necessary and proper to prevent any one or more of the	483
following:	484
(1) The transaction of further business;	485
(2) The transfer of property;	486
(3) Interference with the receiver, conservator,	487
rehabilitator, or liquidator or with a proceeding under sections	488
3903.01 to 3903.59 of the Revised Code;	489
(4) Waste of the insurer's assets;	490
(5) Dissipation and transfer of bank accounts;	491
(6) The commencement or further prosecution of any actions	492
or proceedings;	493
(7) The obtaining of preferences, judgments, attachments,	494
garnishments, or liens against the insurer, its assets, or its	495
policyholders;	496
(8) The levying of execution against the insurer, its	497
assets, or its policyholders;	498
(9) The making of any sale or deed for nonpayment of taxes	499
or assessments that would lessen the value of the assets of the	500
insurer;	501
(10) The withholding from the receiver, conservator,	502
rehabilitator, or liquidator of books, accounts, documents, or	503

other records relating to the business of the insurer; 504

(11) Any other threatened or contemplated action that 505
might lessen the value of the insurer's assets or prejudice the 506
rights of policyholders, creditors, or shareholders, or the 507
administration of any proceeding under sections 3903.01 to 508
3903.59 of the Revised Code. 509

(B) The receiver, conservator, rehabilitator, or 510
liquidator may apply to any court outside of this state for any 511
relief described in division (A) of this section. 512

(C) (1) A federal home loan bank shall not be stayed or 513
otherwise prohibited by a court from exercising its rights 514
regarding collateral pledged by an insurer-member for more than 515
ten days following the date a temporary restraining order, 516
preliminary injunction, or permanent injunction is issued by the 517
court pursuant to division (A) of this section. 518

(2) A federal home loan bank exercising its rights 519
regarding collateral pledged by an insurer-member shall, within 520
seven days of receiving a redemption request made by the 521
insurer-member, repurchase any of the insurer-member's 522
outstanding capital stock in excess of the amount the insurer- 523
member must hold as a minimum investment. The federal home loan 524
bank shall repurchase the excess outstanding capital stock only 525
to the extent that it determines in good faith that the 526
repurchase is both of the following: 527

(a) Permissible under federal laws and regulations and the 528
federal home loan bank's capital plan; 529

(b) Consistent with the capital stock practices currently 530
applicable to the federal home loan bank's entire membership. 531

(D) (1) Not later than ten days after the date of 532

appointment of a receiver, conservator, rehabilitator, or 533
liquidator in a proceeding under sections 3903.01 to 3903.59 of 534
the Revised Code involving an insurer-member of a federal home 535
loan bank, the federal home loan bank shall provide to the 536
receiver, conservator, rehabilitator, or liquidator a process 537
and timeline for all of the following: 538

(a) The release of any collateral held by the federal home 539
loan bank that exceeds the amount that is required to support 540
the secured obligations of the insurer-member and that is 541
remaining after any repayment of loans, as determined under the 542
applicable agreements between the federal home loan bank and the 543
insurer-member; 544

(b) The release of any collateral of the insurer-member 545
remaining in the federal home loan bank's possession following 546
repayment in full of all outstanding secured obligations of the 547
insurer-member; 548

(c) The payment of fees owed by the insurer-member and the 549
operation, maintenance, closure, or disposition of deposits and 550
other accounts of the insurer-member, as mutually agreed upon by 551
the receiver, conservator, rehabilitator, or liquidator and the 552
federal home loan bank; 553

(d) Any redemption or repurchase of federal home loan bank 554
stock or excess stock of any class that the insurer-member is 555
required to own under agreements between the federal home loan 556
bank and the insurer-member. 557

(2) Upon the request of a receiver, conservator, 558
rehabilitator, or liquidator appointed in a proceeding under 559
sections 3903.01 to 3903.59 of the Revised Code involving a 560
federal home loan bank insurer-member, the federal home loan 561

bank shall provide to the receiver, conservator, rehabilitator, 562
or liquidator any available options for the insurer-member to 563
renew or restructure a loan. In determining which options are 564
available, the federal home loan bank may consider market 565
conditions, the terms of any loans outstanding to the insurer- 566
member, the applicable policies of the federal home loan bank, 567
and the federal laws and regulations applicable to federal home 568
loan banks. 569

(E) As used in this section, "insurer-member" means a 570
member of the federal home loan bank in question that is an 571
insurer. 572

Sec. 3903.26. (A) Every Except as provided in division (D) 573
of this section, every transfer made or suffered and every 574
obligation incurred by an insurer within one year prior to the 575
filing of a successful complaint for rehabilitation or 576
liquidation under sections 3903.01 to 3903.59 of the Revised 577
Code is fraudulent as to then existing and future creditors if 578
made or incurred without fair consideration, or with actual 579
intent to hinder, delay, or defraud either existing or future 580
creditors. A transfer made or an obligation incurred by an 581
insurer ordered to be rehabilitated or liquidated under sections 582
3903.01 to 3903.59 of the Revised Code, which is fraudulent 583
under this section, may be avoided by the rehabilitator or 584
liquidator, except as to a person who in good faith is a 585
purchaser, lienor, or obligee for a present fair equivalent 586
value, and except that any purchaser, lienor, or obligee, who in 587
good faith has given a consideration less than fair for such 588
transfer, lien, or obligation, may retain the property, lien, or 589
obligation as security for repayment. The court may, on due 590
notice, order any such transfer or obligation to be preserved 591
for the benefit of the estate, and in that event, the 592

rehabilitator or liquidator shall succeed to and may enforce the 593
rights of the purchaser, lienor, or obligee. 594

(B) (1) A transfer of property other than real property is 595
deemed to be made or suffered when it becomes so far perfected 596
that no subsequent lien obtainable by legal or equitable 597
proceedings on a simple contract could become superior to the 598
rights of the transferee under division (C) of section 3903.28 599
of the Revised Code. 600

(2) A transfer of real property is deemed to be made or 601
suffered when it becomes so far perfected that no subsequent 602
bona fide purchaser from the insurer could obtain rights 603
superior to the rights of the transferee. 604

(3) A transfer which creates an equitable lien is not 605
deemed to be perfected if there are available means by which a 606
legal lien can be created. 607

(4) Any transfer not perfected prior to the filing of a 608
complaint for rehabilitation or liquidation is deemed to be made 609
immediately before the filing of the complaint. 610

(5) The provisions of divisions (B) (1) to (5) of this 611
section apply whether or not there are or were creditors who 612
might have obtained any liens or persons who might have become 613
bona fide purchasers. 614

(C) Any transaction of the insurer with a reinsurer shall 615
be deemed fraudulent and may be avoided by the rehabilitator or 616
liquidator under division (A) of this section if both of the 617
following apply: 618

(1) The transaction consists of the termination, 619
adjustment, or settlement of a reinsurance contract in which the 620
reinsurer is released from any part of its duty to pay the 621

originally specified share of losses that had occurred prior to 622
the time of the transaction, unless the reinsurer gives a 623
present fair equivalent value for the release; 624

(2) Any part of the transaction took place within one year 625
prior to the date of filing of the complaint through which the 626
rehabilitation or liquidation was commenced. 627

(D) (1) Except as provided in division (D) (2) of this 628
section, any transfer of and any obligation to transfer money or 629
other property from an insurer-member of a federal home loan 630
bank to the federal home loan bank under a federal home loan 631
bank security, pledge, collateral, or guarantee agreement, or 632
other similar arrangement or credit enhancement, shall not be 633
deemed fraudulent and shall not be avoided by the rehabilitator 634
or liquidator under division (A) of this section if the 635
agreement, arrangement, or enhancement is both of the following: 636

(a) Made in the ordinary course of business; 637

(b) Made in compliance with the applicable federal home 638
loan bank agreement. 639

(2) Notwithstanding division (D) (1) of this section, a 640
transfer may be deemed fraudulent and may be avoided by the 641
rehabilitator or liquidator under division (A) of this section 642
if the transfer is made with the intent to hinder, delay, or 643
defraud an insurer-member of the federal home loan bank, the 644
liquidator or rehabilitator of the insurer-member, or existing 645
or future creditors of the insurer-member. 646

(3) As used in division (D) of this section, "insurer- 647
member" means a member of the federal home loan bank in question 648
that is an insurer. 649

Sec. 3905.01. As used in this chapter: 650

(A) "Affordable Care Act" means the "Patient Protection and Affordable Care Act," 124 Stat. 119, 42 U.S.C. 18031 (2011). 651
652

(B) "Business entity" means a corporation, association, partnership, limited liability company, limited liability partnership, or other legal entity. 653
654
655

(C) "Home state" means the state or territory of the United States, including the District of Columbia, in which an insurance agent maintains the insurance agent's principal place of residence or principal place of business and is licensed to act as an insurance agent. 656
657
658
659
660

(D) "In-person assister" means any person, other than a navigator, who receives any funding from, or who is selected or designated by, an exchange, the state, or the federal government to perform any of the activities and duties identified in division (i) of section 1311 of the Affordable Care Act. "In-person assister" includes any individual that is employed by, supervised by, or affiliated with an in-person assister and performs any of the activities and duties identified in division (i) of section 1311 of the Affordable Care Act, any non-navigator assistance personnel, and any other person deemed as such by rules adopted by the superintendent under division (L) of section 3905.471 of the Revised Code. 661
662
663
664
665
666
667
668
669
670
671
672

(E) "Insurance" means any of the lines of authority set forth in Chapter 1739., 1751., or 1761. or Title XXXIX of the Revised Code, or as additionally determined by the superintendent of insurance. 673
674
675
676

(F) "Insurance agent" or "agent" means any person that, in order to sell, solicit, or negotiate insurance, is required to be licensed under the laws of this state, including limited 677
678
679

lines insurance agents and surplus line brokers. 680

(G) "Insurer" has the same meaning as in section 3901.32 681
of the Revised Code. 682

(H) "License" means the authority issued by the 683
superintendent to a person to act as an insurance agent for the 684
lines of authority specified, but that does not create any 685
actual, apparent, or inherent authority in the person to 686
represent or commit an insurer. 687

(I) "Limited line credit insurance" means credit life, 688
credit disability, credit property, credit unemployment, 689
involuntary unemployment, mortgage life, mortgage guaranty, 690
mortgage disability, guaranteed automobile protection insurance, 691
or any other form of insurance offered in connection with an 692
extension of credit that is limited to partially or wholly 693
extinguishing that credit obligation and that is designated by 694
the superintendent as limited line credit insurance. 695

(J) "Limited line credit insurance agent" means a person 696
that sells, solicits, or negotiates one or more forms of limited 697
line credit insurance to individuals through a master, 698
corporate, group, or individual policy. 699

(K) "Limited lines insurance" means those lines of 700
authority set forth in divisions (B) (7) to ~~(12)~~ (13) of section 701
3905.06 of the Revised Code or in rules adopted by the 702
superintendent, or any lines of authority the superintendent 703
considers necessary to recognize for purposes of complying with 704
section 3905.072 of the Revised Code. 705

(L) "Limited lines insurance agent" means a person 706
authorized by the superintendent to sell, solicit, or negotiate 707
limited lines insurance. 708

(M) "NAIC" means the national association of insurance commissioners.	709 710
(N) "Insurance navigator" means a person selected to perform the activities and duties identified in division (i) of section 1311 of the Affordable Care Act that is certified by the superintendent of insurance under section 3905.471 of the Revised Code. "Insurance navigator" refers to a navigator specified in section 1311 of the Affordable Care Act, 42 U.S.C. 13031.	711 712 713 714 715 716 717
(O) "Negotiate" means to confer directly with, or offer advice directly to, a purchaser or prospective purchaser of a particular contract of insurance with respect to the substantive benefits, terms, or conditions of the contract, provided the person that is conferring or offering advice either sells insurance or obtains insurance from insurers for purchasers.	718 719 720 721 722 723
(P) "Person" means an individual or a business entity.	724
(Q) "Sell" means to exchange a contract of insurance by any means, for money or its equivalent, on behalf of an insurer.	725 726
(R) "Self-service storage facility" means an entity that is engaged in the business of providing real property designed and used for the purpose of renting or leasing individual storage space to the public who are to have access to the space for the purpose of storing and removing personal property on a self-service basis, but does not include a garage or other storage area in a private residence.	727 728 729 730 731 732 733
(S) "Solicit" means to attempt to sell insurance, or to ask or urge a person to apply for a particular kind of insurance from a particular insurer.	734 735 736
(T) "Superintendent" or "superintendent of insurance"	737

means the superintendent of insurance of this state.	738
(U) "Terminate" means to cancel the relationship between an insurance agent and the insurer or to terminate an insurance agent's authority to transact insurance.	739 740 741
(V) "Uniform application" means the NAIC uniform application for resident and nonresident agent licensing, as amended by the NAIC from time to time.	742 743 744
(W) "Uniform business entity application" means the NAIC uniform business entity application for resident and nonresident business entities, as amended by the NAIC from time to time.	745 746 747
(X) "Exchange" means a health benefit exchange established by the state government of Ohio or an exchange established by the United States department of health and human services in accordance with the "Patient Protection and Affordable Care Act," 124 Stat. 119, 42 U.S.C. 18031 (2011).	748 749 750 751 752
Sec. 3905.06. (A) (1) The superintendent of insurance shall issue a resident insurance agent license to an individual applicant whose home state is Ohio upon submission of a completed application and payment of any applicable fee required under this chapter, if the superintendent finds all of the following:	753 754 755 756 757 758
(a) The applicant is at least eighteen years of age.	759
(b) The applicant has not committed any act that is a ground for the denial, suspension, or revocation of a license under section 3905.14 of the Revised Code.	760 761 762
(c) If required under section 3905.04 of the Revised Code, the applicant has completed a program of insurance education for each line of authority for which the applicant has applied.	763 764 765

(d) If required under section 3905.04 of the Revised Code, 766
the applicant has passed an examination for each line of 767
authority for which the applicant has applied. 768

(e) Any applicant applying for variable life-variable 769
annuity line of authority is registered with the financial 770
industry regulatory authority (FINRA) as a registered 771
representative after having passed at least one of the following 772
examinations administered by the FINRA: the series 6 773
examination, the series 7 examination, the series 63 774
examination, the series 66 examination, or any other FINRA 775
examination approved by the superintendent. 776

(f) If required under section 3905.051 of the Revised 777
Code, the applicant has consented to a criminal records check 778
and the results of the applicant's criminal records check are 779
determined to be satisfactory by the superintendent. 780

(g) The applicant is a United States citizen or has 781
provided proof of having legal authorization to work in the 782
United States. 783

(h) The applicant is of good reputation and character, is 784
honest and trustworthy, and is otherwise suitable to be 785
licensed. 786

(2) The superintendent shall issue a resident insurance 787
agent license to a business entity applicant upon submission of 788
a completed application and payment of any applicable fees 789
required under this chapter if the superintendent finds all of 790
the following: 791

(a) Except as provided under division (C)(2) of section 792
3905.062 or division (C)(2) of section 3905.063 of the Revised 793
Code, the applicant either is domiciled in Ohio or maintains its 794

principal place of business in Ohio. 795

(b) The applicant has designated a licensed insurance 796
agent who will be responsible for the applicant's compliance 797
with the insurance laws of this state. 798

(c) The applicant has not committed any act that is a 799
ground for the denial, suspension, or revocation of a license 800
under section 3905.14 of the Revised Code. 801

(d) Any applicant applying for a portable electronics 802
insurance license line of authority satisfies the requirements 803
of division (C) (1) of section 3905.062 of the Revised Code or 804
any applicant applying for a self-service storage insurance 805
license line of authority satisfies the requirements of division 806
(C) (1) of section 3905.063 of the Revised Code. 807

(e) The applicant has submitted any other documents 808
requested by the superintendent. 809

(B) An insurance agent license issued pursuant to division 810
(A) of this section shall state the licensee's name, the license 811
number, the date of issuance, the date the license expires, the 812
line or lines of authority for which the licensee is qualified, 813
and any other information the superintendent deems necessary. 814

A licensee may be qualified for any of the following lines 815
of authority: 816

(1) Life, which is insurance coverage on human lives, 817
including benefits of endowment and annuities, and may include 818
benefits in the event of death or dismemberment by accident and 819
benefits for disability income; 820

(2) Accident and health, which is insurance coverage for 821
sickness, bodily injury, or accidental death, and may include 822

benefits for disability income;	823
(3) Property, which is insurance coverage for the direct	824
or consequential loss or damage to property of any kind;	825
(4) Casualty, which is insurance coverage against legal	826
liability, including coverage for death, injury, or disability	827
or damage to real or personal property;	828
(5) Personal lines, which is property and casualty	829
insurance coverage sold to individuals and families for	830
noncommercial purposes;	831
(6) Variable life and variable annuity products, which is	832
insurance coverage provided under variable life insurance	833
contracts and variable annuities;	834
(7) Credit, which is limited line credit insurance;	835
(8) Title, which is insurance coverage against loss or	836
damage suffered by reason of liens against, encumbrances upon,	837
defects in, or the unmarketability of, real property;	838
(9) Surety bail bond, which is the authority set forth in	839
sections 3905.83 to 3905.95 of the Revised Code;	840
(10) Portable electronics insurance, which is a limited	841
line described in section 3905.062 of the Revised Code;	842
(11) Self-service storage insurance, which is a limited	843
line described in section 3905.063 of the Revised Code;	844
(12) <u>Travel insurance, which is a limited line described</u>	845
<u>in section 3905.064 of the Revised Code;</u>	846
<u>(13) Any other line of authority designated by the</u>	847
superintendent.	848
(C) (1) An individual seeking to renew a resident insurance	849

agent license shall apply biennially for a renewal of the 850
license on or before the last day of the licensee's birth month. 851
A business entity seeking to renew a resident insurance agent 852
license shall apply biennially for a renewal of the license on 853
or before the date determined by the superintendent. The 854
superintendent shall send a renewal notice to all licensees at 855
least one month prior to the renewal date. 856

Applications shall be submitted to the superintendent on 857
forms prescribed by the superintendent. Each application shall 858
be accompanied by a biennial renewal fee. The superintendent 859
also may require an applicant to submit any document reasonably 860
necessary to verify the information contained in the renewal 861
application. 862

(2) To be eligible for renewal, an individual applicant 863
shall complete the continuing education requirements pursuant to 864
section 3905.481 of the Revised Code prior to the renewal date. 865

(3) If an applicant submits a completed renewal 866
application, qualifies for renewal pursuant to divisions (C)(1) 867
and (2) of this section, and has not committed any act that is a 868
ground for the refusal to issue, suspension of, or revocation of 869
a license under section 3905.14 of the Revised Code, the 870
superintendent shall renew the applicant's resident insurance 871
agent license. 872

(D) If an individual or business entity does not apply for 873
the renewal of the individual or business entity's license on or 874
before the license renewal date specified in division (C)(1) of 875
this section, the individual or business entity may submit a 876
late renewal application along with all applicable fees required 877
under this chapter prior to the first day of the second month 878
following the license renewal date. 879

(E) A license issued under this section that is not 880
renewed on or before its renewal date pursuant to division (C) 881
of this section or its late renewal date pursuant to division 882
(D) of this section automatically is suspended for nonrenewal on 883
the first day of the second month following the renewal date. If 884
a license is suspended for nonrenewal pursuant to this division, 885
the individual or business entity is eligible to apply for 886
reinstatement of the license within the twelve-month period 887
following the date by which the license should have been renewed 888
by complying with the reinstatement procedure established by the 889
superintendent and paying all applicable fees required under 890
this chapter. 891

(F) A license that is suspended for nonrenewal that is not 892
reinstated pursuant to division (E) of this section 893
automatically is canceled unless the superintendent is 894
investigating any allegations of wrongdoing by the agent or has 895
initiated proceedings under Chapter 119. of the Revised Code. In 896
that case, the license automatically is canceled after the 897
completion of the investigation or proceedings unless the 898
superintendent revokes the license. 899

(G) An individual licensed as a resident insurance agent 900
who is unable to comply with the license renewal procedures 901
established under this section and who is unable to engage in 902
the business of insurance due to military service, a long-term 903
medical disability, or some other extenuating circumstance may 904
request an extension of the renewal date of the individual's 905
license. To be eligible for such an extension, the individual 906
shall submit a written request with supporting documentation to 907
the superintendent. At the superintendent's discretion, the 908
superintendent may not consider a written request made after the 909
renewal date of the license. 910

<u>Sec. 3905.064. (A) As used in this section:</u>	911
<u>(1) "Limited lines travel insurance agent" means an individual or business entity licensed to sell, solicit, or negotiate travel insurance under this section.</u>	912 913 914
<u>(2) "Travel insurance" means insurance coverage for personal risks incident to planned travel, including all of the following:</u>	915 916 917
<u>(a) Interruption or cancellation of a trip or event;</u>	918
<u>(b) Loss of baggage or personal effects;</u>	919
<u>(c) Damages to accommodations or rental vehicles;</u>	920
<u>(d) Sickness, accident, disability, or death occurring during travel.</u>	921 922
<u>"Travel insurance" does not include major medical plans that provide comprehensive medical protection for a traveler with a trip lasting six months or longer, including a plan covering a person working overseas as an expatriate or in a deployed military unit.</u>	923 924 925 926 927
<u>(3) "Travel retailer" means a business entity that makes, arranges, or offers travel services, and that may offer or sell travel insurance as a service to its customers on behalf of, and under the direction of, a limited lines travel insurance agent in conjunction with the making, arranging, or offering of travel services.</u>	928 929 930 931 932 933
<u>(B) No person shall offer or sell travel insurance except as provided in this section.</u>	934 935
<u>(C) Notwithstanding any other provision of law, the superintendent of insurance may issue to an individual or</u>	936 937

business entity a limited lines travel insurance agent license 938
that authorizes the holder of the license to sell, solicit, or 939
negotiate travel insurance through a licensed insurer if both of 940
the following requirements are met: 941

(1) The individual or business entity has submitted an 942
application to the superintendent for the license on a form and 943
in a manner prescribed by the superintendent. 944

(2) The individual or business entity has paid all fees 945
applicable under this chapter. 946

(D) (1) At the time the superintendent of insurance issues 947
a license under this section, the limited lines travel insurance 948
agent shall establish and maintain on a form prescribed by the 949
superintendent a register of each travel retailer that offers or 950
sells travel insurance on the agent's behalf. 951

(2) The limited lines travel insurance agent shall submit 952
the register to the department of insurance upon reasonable 953
request, and shall certify that the registered travel retailer 954
complies with 18 U.S.C. 1033. 955

(E) Notwithstanding any other provision of law, a travel 956
retailer may offer and sell travel insurance under a limited 957
lines travel insurance agent that is a business entity if all of 958
the following conditions are met: 959

(1) The limited lines travel insurance agent or travel 960
retailer provides all of the following information to purchasers 961
of travel insurance at the time of sale or in the fulfillment 962
materials provided to purchasers: 963

(a) A description of the material terms or the actual 964
terms of the insurance coverage; 965

<u>(b) A description of the process for filing a claim;</u>	966
<u>(c) A description of the review or cancellation process for the travel insurance policy;</u>	967 968
<u>(d) The identity and contact information of the insurer and limited lines travel insurance agent.</u>	969 970
<u>(2) (a) The limited lines travel insurance agent designates one of the agent's employees as the responsible insurance agent who is responsible for the limited lines travel insurance agent's compliance with the travel insurance laws and rules of this state. The designated responsible insurance agent must be a licensed insurance agent qualified in any of the following lines of authority in accordance with section 3905.06 of the Revised Code:</u>	971 972 973 974 975 976 977 978
<u>(i) Travel;</u>	979
<u>(ii) Property;</u>	980
<u>(iii) Personal.</u>	981
<u>(b) The responsible insurance agent shall comply with the fingerprinting requirements of section 3905.051 of the Revised Code or the applicable fingerprinting requirements of the home state of the limited lines travel insurance agent.</u>	982 983 984 985
<u>(3) The limited lines travel insurance agent business entity and the responsible insurance agent are responsible for the acts of the travel retailer and use reasonable means to ensure compliance with this section by the travel retailer.</u>	986 987 988 989
<u>(4) (a) (i) The limited lines travel insurance agent requires each employee and authorized representative of the travel retailer, whose duties include offering or selling travel insurance, to receive a program of instruction or training.</u>	990 991 992 993

<u>(ii) The training material shall, at minimum, contain</u>	994
<u>instructions on the types of insurance offered, ethical sales</u>	995
<u>practices, and required disclosures to prospective customers.</u>	996
<u>(b) The superintendent may review all training programs or</u>	997
<u>materials at the superintendent's discretion.</u>	998
<u>(5) The travel retailer offers or sells the travel</u>	999
<u>insurance only in conjunction with the making, arranging, or</u>	1000
<u>offering of travel services.</u>	1001
<u>(F) A limited lines travel insurance agent, as well as any</u>	1002
<u>travel retailer and the retailer's employees that are registered</u>	1003
<u>under division (D) of this section, are exempt from any</u>	1004
<u>examination and education requirements as set forth in section</u>	1005
<u>3905.04 of the Revised Code for purposes of this section only.</u>	1006
<u>(G) (1) Any travel retailer offering or selling travel</u>	1007
<u>insurance shall make available to prospective purchasers</u>	1008
<u>brochures or other written materials that contain all of the</u>	1009
<u>following:</u>	1010
<u>(a) The identity and contact information of the insurer</u>	1011
<u>and the limited lines travel insurance agent;</u>	1012
<u>(b) An explanation that the purchase of travel insurance</u>	1013
<u>is not required in order to purchase any other product or</u>	1014
<u>service from the travel retailer;</u>	1015
<u>(c) An explanation that an unlicensed travel retailer is</u>	1016
<u>permitted to provide general information about the insurance</u>	1017
<u>offered by the travel retailer, including a description of the</u>	1018
<u>coverage and price, but is not qualified or authorized to answer</u>	1019
<u>technical questions about the terms and conditions of the</u>	1020
<u>insurance offered by the travel retailer or to evaluate the</u>	1021
<u>adequacy of the customer's existing insurance coverage.</u>	1022

(2) A travel retailer's employee or authorized representative who is not licensed as an insurance agent shall not do any of the following: 1023
1024
1025

(a) Evaluate or interpret the technical terms, benefits, and conditions of the offered travel insurance coverage; 1026
1027

(b) Evaluate or provide advice concerning a prospective purchaser's existing insurance coverage; 1028
1029

(c) Hold itself out as a licensed insurer, licensed agent, or insurance expert; 1030
1031

(d) Offer or sell travel insurance, unless the travel insurance is offered or sold in conjunction with and incidental to the sale of travel services. 1032
1033
1034

(3) Notwithstanding any other provision of law, a travel retailer whose insurance-related activities, and those of its employees and authorized representatives, are limited to offering or selling travel insurance on behalf of and under the direction of a limited lines travel insurance agent that meets the requirements of this section, is authorized to offer and sell insurance and receive related compensation for these services, if the travel retailer is registered by the limited lines travel insurance agent as described in division (D) of this section. Any compensation paid to a travel retailer's employee or authorized representative for the services described in this section shall be incidental to the employee's or authorized representative's overall compensation and not based primarily on the number of customers who purchase travel insurance coverage. 1035
1036
1037
1038
1039
1040
1041
1042
1043
1044
1045
1046
1047
1048
1049

(a) Nothing in this section shall be construed to prohibit payment of compensation to a travel retailer or its employees or 1050
1051

authorized representatives for activities under the limited 1052
lines travel insurance agent's license that are incidental to 1053
the overall compensation of the travel retailer or the employees 1054
or authorized representatives of the facility. 1055

(b) All costs paid or charged to a consumer for the 1056
purchase of travel insurance or related services shall be 1057
separately itemized on the customer's bill. 1058

(H) Travel insurance may be provided under individual or 1059
group insurance. 1060

(I) Any limited lines travel insurance agent, or any 1061
travel retailer offering or selling travel insurance under a 1062
limited lines travel insurance agent, that fails to comply with 1063
the provisions of this section is deemed to have engaged in an 1064
unfair and deceptive act or practice in the business of 1065
insurance as defined in section 3901.21 of the Revised Code and 1066
is subject to section 3905.14 of the Revised Code. 1067

(J) A license issued under this section shall be renewed 1068
on a biennial basis as set forth in sections 3905.06 and 3905.07 1069
of the Revised Code. 1070

Sec. 3905.40. There shall be paid to the superintendent of 1071
insurance the following fees: 1072

(A) Each insurance company doing business in this state 1073
shall pay: 1074

(1) For filing a copy of its charter or deed of 1075
settlement, two hundred fifty dollars; 1076

(2) For filing each statement, one hundred seventy-five 1077
dollars; 1078

(3) For each certificate of authority or license, one 1079

hundred seventy-five, and for each certified copy thereof, five dollars;	1080 1081
(4) For each copy of a paper filed in the superintendent's office, twenty cents per page;	1082 1083
(5) For issuing certificates of deposits or certified copies thereof, five dollars for the first certificate or copy and one dollar for each additional certificate or copy;	1084 1085 1086
(6) For issuing certificates of compliance or certified copies thereof, sixty dollars;	1087 1088
(7) For affixing the seal of office and certifying documents, other than those enumerated herein, two dollars;	1089 1090
(8) For each agent appointment and each annual renewal of an agent appointment, not more than twenty dollars.	1091 1092
(B) Each domestic life insurance company doing business in this state shall pay for annual valuation of its policies, one cent on every one thousand dollars of insurance.	1093 1094 1095
(C) Each applicant for licensure as an insurance agent except applicants for licensure as surety bail bond agents, surplus line brokers, portable electronics insurance vendors, and self-service storage facilities shall pay ten dollars for each line of authority requested. Fees collected under this division shall be credited to the department of insurance operating fund created in section 3901.021 of the Revised Code.	1096 1097 1098 1099 1100 1101 1102
(D) Each domestic mutual life insurance company shall pay for verifying that any amendment to its articles of incorporation was regularly adopted, two hundred fifty dollars with each application for verification. Any such amendment shall be considered to have been regularly adopted when approved by	1103 1104 1105 1106 1107

the affirmative vote of two-thirds of the policyholders present 1108
in person or by proxy at any annual meeting of policyholders or 1109
at a special meeting of policyholders called for that purpose. 1110

(E) Each insurance agent doing business in this state 1111
shall pay a biennial license renewal fee of twenty-five dollars, 1112
except the following insurance agents are not required to pay 1113
that license renewal fee: 1114

(1) Individual resident agents who have met their 1115
continuing education requirements under section 3905.481 of the 1116
Revised Code; 1117

(2) Surety bail bond agents; 1118

(3) Surplus line brokers; 1119

(4) Portable electronics insurance vendors; 1120

(5) Self-service storage facilities; 1121

(6) Limited lines travel insurance agents. 1122

(F) Each applicant for licensure as a portable electronics 1123
insurance vendor with a portable electronics insurance limited 1124
lines license and each licensed vendor doing business in this 1125
state shall pay the following fees prescribed by the 1126
superintendent: 1127

(1) For vendors engaged in portable electronic 1128
transactions at more than ten locations in this state, an 1129
application fee not to exceed five thousand dollars for an 1130
initial license and a biennial license renewal fee not to exceed 1131
two thousand five hundred dollars for each renewal thereafter; 1132

(2) For vendors engaged in portable electronic 1133
transactions at ten or fewer locations in this state, an 1134

application fee not to exceed three thousand dollars for an 1135
initial license and a biennial license renewal fee not to exceed 1136
one thousand dollars for each renewal thereafter. 1137

(G) Each applicant for licensure as a limited lines travel 1138
insurance agent shall pay an application fee prescribed by the 1139
superintendent not to exceed fifty dollars for an initial 1140
license and a biennial license renewal fee prescribed by the 1141
superintendent not to exceed fifty dollars for each renewal 1142
thereafter. 1143

(H) Each applicant for a self-service storage insurance 1144
limited lines license and each holder of such a license in this 1145
state shall pay an application fee not to exceed ten dollars for 1146
an initial license and a biennial license renewal fee not to 1147
exceed twenty-five dollars for each renewal thereafter. 1148

~~(H)~~ (I) All fees collected by the superintendent under 1149
this section except any fees collected under divisions (A) (2), 1150
(3), and (6) of this section shall be credited to the department 1151
of insurance operating fund created under section 3901.021 of 1152
the Revised Code. 1153

Section 2. That existing sections 3901.32, 3903.01, 1154
3903.05, 3903.26, 3905.01, 3905.06, and 3905.40 of the Revised 1155
Code are hereby repealed. 1156

Section 3. The amendment of sections 3901.32, 3905.01, 1157
3905.06, and 3905.40 and the enactment of sections 3901.352 and 1158
3905.064 of the Revised Code in this act shall take effect 1159
ninety days after the effective date of this act. 1160