Adopted by the Producer Licensing (D) Task Force, Oct. 7, 2026

Chapter 13

Temporary Licenses

Section 11 of the *Producer Licensing Model Act* (#218) States that the insurance commissioner may issue a temporary insurance producer license for a period not to exceed one hundred eighty (180) days without requiring an examination if the insurance commissioner deems that the temporary license is necessary for the servicing of an insurance business in the following cases: ~~contains a provision that allows a state insurance director to issue a temporary license to the survivor of a producer if the insurance commissioner deems it necessary for servicing the deceased producer's customers.~~

~~The license is limited to 180 days and also may be limited in scope by the insurance commissioner. The intent of this section is to wind up the business affairs of the producer and not indefinitely continue the decedent's insurance business.~~

~~Model #218 gives three examples of persons eligible for a temporary license:~~

1. The surviving spouse or court-appointed personal representative of a licensed insurance producer who dies or becomes mentally or physically disabled to allow adequate time for the sale of the insurance business owned by the producer, the recovery or return of the producer to the business, or the training and licensing of new personnel to operate the producer's business.
~~1.~~
2. A member or employee of a business entity (BE) licensed as an insurance producer, upon the death or disability of an individual designated in the BE application or the license.
~~2.~~
3. The designee of a licensed insurance producer entering active service in the armed forces of the United States of America.~~S.~~

4. The insurance commissioner is also given discretion to grant a temporary license in any other circumstance where the insurance commissioner deems that the public interest will best be served by the issuance of this license. ~~The insurance commissioner may also require the temporary licensee to have a licensed producer as a sponsor.~~

The insurance commissioner can limit what a temporary license holder is allowed to do if needed to protect consumers and the public. The insurance commissioner may require the temporary license holder to have a qualified sponsor, someone who is a licensed producer or insurer and who is responsible for the temporary licensee's actions. The commissioner can also add other requirements for the protection of the public. The commissioner may revoke a temporary license if it puts consumers or the public at risk. A temporary license automatically ends once the business is sold or transferred by the owner or the personal representative.

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