

**LICENSING PROCEDURES
AND INFORMATION FOR
MAINTAINING A NONRESIDENT
INSURANCE AGENT'S LICENSE
IN VIRGINIA**

April 2010

OBTAINING A NONRESIDENT LICENSE

A. Individual applicants must be at least 18 years of age and either a citizen of the United States or authorized to work in the United States.

B. In most instances, any license that can be issued to a resident agent may also be issued to a nonresident agent through reciprocity and no examination would be required for nonresident licenses. Currently, Florida and Pennsylvania statutes require non-resident title agents to pass their title exam for licensure. As such, the Virginia Bureau of Insurance requires Florida and Pennsylvania title agents to pass the Virginia title exam for licensure in Virginia. Virginia statutes do not require nonresident agents to take Virginia's pre-licensing study course prior to taking the Title exam.

<http://leg1.state.va.us/cgi-bin/legp504.exe?000+cod+38.2-1836>

C. You may apply online through the National Insurance Producer Registry (NIPR) or Sircon at <http://scc.virginia.gov/division/boi/webpages/boiproducer.htm>, which will expedite your application process.

Effective March 15, 2010, the Bureau of Insurance no longer mails licenses. Administrative Letter 2010-02 provides instructions for verifying the license has been issued and printing the license online. The Administrative Letter may be reviewed at <http://scc.virginia.gov/division/boi/webpages/boiadminltrsforagents.htm>.

D. As part of Virginia's effort to achieve complete reciprocity with other states regarding agent licensing, all nonresident applicants must be currently licensed as a resident and in good standing in the applicant's home state (verified via the NAIC's Producer Data Base (PDB) and the applicant's home state must issue a nonresident agent license to residents of Virginia on the same basis. In order to be licensed in Virginia, a nonresident applicant's home state licensing information must be reported to the PDB or the applicant must fax to (804)371-9290 a current certification letter from his/her/its home state indicating the above information.

E. In order to obtain a nonresident license, you must appoint the Clerk of the Commission the agent for service of process in any action or proceeding arising in this Commonwealth out of or in connection with the exercise of this license. <http://leg1.state.va.us/cgi-bin/legp504.exe?000+cod+38.2-1819>

F. Nonresident applicants that have been convicted of (or pled guilty or nolo contendere) to a violation of law, other than a minor traffic violation, must provide a written statement explaining the circumstances of each incident; a copy of the charging document; a copy of the official document that demonstrates the resolution of the charges or any final judgment; if applicable, a letter from the federal or state probation and parole office outlining your performance or satisfactory completion of your probationary period; if applicable, a letter from your current or prospective employer if engaged in the business of insurance; your employment history since your conviction; a copy of any civil rights restoration; and a copy of the 1033 waiver approved by your home state.

ONCE YOU RECEIVE YOUR LICENSE

A. You may solicit applications for any company authorized in Virginia for classes of insurance covered by your license.

B. An insurance company must appoint you within 30 calendar days of the date of execution of the first application submitted by you to the company. The Bureau of Insurance does not provide notice to the producer of the appointment. The company must notify you if the Commission notifies the company that the attempt to appoint you was invalid. The company's notice must be provided within five business days of receipt of the invalid appointment notice from the Commission. Any agent who sells or solicits insurance on behalf of the insurer after being notified of an invalid appointment shall be in violation of Virginia law. An appointment may be verified by utilizing the Bureau's Producer Lookup feature at <http://scc.virginia.gov/division/boi/webpages/ConsumerInquiry/ProducerSearch.aspx>.

C. Your contract with the insurance company is **NOT** an appointment. An appointment is a formal notification from the insurer to the Bureau, for which the company pays a \$12 fee. Simply having an employment contract or agent contract with an insurance company does not satisfy this requirement, and would place both the insurer and the agent in violation of Virginia law.

D. Appointments must be renewed annually by June 30. This is done by the insurance company. If the company fails to renew the appointment, or terminates the appointment at any time, the company must notify you in writing within **five** calendar days. Once you receive such notice, you must immediately cease soliciting applications on behalf of that insurer. The Bureau will **NOT** notify you of appointment cancellations.

E. Your license will remain in an "active" status unless surrendered, terminated, suspended, or revoked, as long as your license in your state or province of domicile (residence) remains in an "active" status and, if applicable, you pay the \$15 continuance fee every even-numbered year. Termination, revocation, suspension, or cancellation of your license in your state or province of domicile (residence) automatically terminates your Virginia license.

CONTINUING EDUCATION

Virginia has a biennial Continuing Education (CE) requirement for all agents holding one or more of the following license types:

- Life and Annuities
- Health
- Life and Health Consultant
- Property and Casualty
- Personal Lines
- Property and Casualty Consultant
- Title

Nonresident agents are not required to complete Virginia CE courses; however, they are required to pay a \$15 continuance fee every even-numbered year, which may be paid online at www.virginiainsurancece.com.

The CE program in Virginia is NOT administered by the Bureau. A separate entity, known as the Virginia Insurance Continuing Education Board, is responsible for development and administration of the CE program. The Board, in turn, has contracted with Pearson VUE for operation of the program.

For further information on Virginia's CE program, to obtain a copy of Virginia's Continuing Education Information Handbook, or to pay the continuance fee online, visit its website at www.virginiainsurancece.com or call Pearson VUE at 877-234-6093. Questions regarding the Virginia CE program should be directed to Pearson VUE and **NOT** to the Bureau of Insurance. You may send your inquiries to virginiainsurancece@pearson.com.

MISCELLANEOUS

A. Change of Name or Address

Each licensed agent is required by law to notify the Bureau in writing within 30 calendar days of any change of residence or name. Address changes should be made online at <http://scc.virginia.gov/division/boi/webpages/boiproducer.htm>.

Name and ID changes should be submitted on the Service Request (5001) Form, which may be downloaded from the Bureau's website at <http://scc.virginia.gov/division/boi/webpages/boiformsapplications.htm>. This form must be signed by the agent or, if applicable, an officer or principal of the agency and can be faxed to (804) 371-9290.

B. Assumed or Fictitious Names

Any person or entity (corporation, partnership, or limited liability company) conducting the business of insurance in this Commonwealth under an assumed or fictitious name is required to notify the Bureau, in writing, either at the time the application for a license is filed or at the time the assumed or fictitious name is adopted. The submission may be submitted on the Service Request (5001) Form and can be faxed to (804) 371-9290.

C. Felony Conviction

An agent (resident or nonresident) is required by law to report to the Bureau within 30 calendar days the facts and circumstances regarding a conviction of or pleading guilty or nolo contendere to any felony offense.

D. Administrative Actions

An agent (resident or nonresident) is required by law to report to the Bureau within 30 calendar days the final disposition, to include a copy of the order, consent to order, and/or other relevant legal documents, of any administrative action taken against him in another jurisdiction or by another governmental agency. The reporting of administrative actions may be submitted to the Bureau electronically through NIPR's Attachment Warehouse – Reporting of Actions at <https://pdb.nipr.com/roa/jsp/roa/roaterms.jsp>.

AGENCY LICENSING

Virginia law (§ 38.2-1836) allows the Bureau to issue a nonresident license to a corporation, limited liability company, or partnership only if the state of domicile of the corporation, limited liability company, or partnership would issue a similar license to a Virginia corporation, limited liability company, or partnership.

A. A nonresident corporation, limited liability company, or partnership seeking an agency license in Virginia for Life and Annuities, Health, Property and Casualty, Title, Variable Contracts, or Surplus Lines may apply online through NIPR or Sircon at <http://scc.virginia.gov/division/boi/webpages/boiproducer.htm>. For Life and Health Consultant, Property and Casualty Consultant or Viatical Settlement Broker, apply online through NIPR at <https://pdb.nipr.com/html/nrlWelcome.html>.

Effective March 15, 2010, the Bureau of Insurance no longer mails licenses. Administrative Letter 2010-02 provides instructions for verifying the license has been issued and printing the license online. The Administrative Letter may be reviewed at <http://scc.virginia.gov/division/boi/webpages/boiadminltrsforagents.htm>.

B. Letters of Certification are no longer required for the issuance of a nonresident license provided that the applicant's state of residence is a participant of the NAIC's Producer Data Base (PDB). If the state of residence does not participate in the PDB, a Letter of Certification (no more than 90 days old) is required. Nonresident licenses will be verified via an electronic verification process through PDB prior to the issuance of the license.

C. A business entity is not required to first obtain a certificate of authority, including a certificate of registration, certificate of organization, certificate of limited partnership, or charter, from the Commission prior to being eligible to obtain a license as an insurance agent, consultant, surplus lines broker, or viatical settlement broker. **However, the business entity must still obtain the necessary certificate within 90 calendar days of licensure. Failure to obtain the certificate of authority will result in the Bureau of Insurance terminating the producer license.** Contact the Clerk's Office at 804-371-9733 for details.

D. The business entity must have a Designated Responsible Licensed Producer (DRLP) who is responsible for the business entity's compliance with the insurance laws, rules and regulations of Virginia. The DRLP must be licensed and his/her information must have been reported to the PDB prior to applying for a business entity license. A licensed agency may update its firm associations online at <http://scc.virginia.gov/division/boi/webpages/boiproducer.htm>.

INSTRUCTIONS FOR AGENTS MOVING INTO VIRGINIA

A. All licensed individuals moving into Virginia are directed to review the ***Insurance Licensing Candidate Handbook***, which contains detailed information on requirements for licensing. The instructions in the Handbook must be followed in addition to the information furnished here.

B. Anyone who has been licensed in his or her state or province of domicile (residence) moving to Virginia, but not holding a nonresident Virginia agent license, may submit the application to become a resident agent and the nonrefundable, nontransferable license processing fee. You must have been cleared by the insurance department of your former state of residence prior to applying for the license. The Bureau will verify that you were cleared through the NAIC's Producer Data Base. **No pre-licensing examination is required to obtain any line of authority previously held in the prior state if the application is received within 90 calendar days of the cancellation of the applicant's previous license in the applicant's home state. Anyone who fails to submit the application and nonrefundable, nontransferable license processing fee within 90 calendar days of the cancellation of the applicant's previous license will be required to satisfy all resident agent pre-licensing requirements in order to be issued a license.**

Note: This exemption does not apply if you held a Virginia license previously and it was administratively terminated for failing to comply with the continuing education requirements.

C. **An agent with an active nonresident Virginia license will be granted a period of 90 calendar days from the date his/her previous home state licenses were terminated, during which time he/she may continue to operate under his/her nonresident license while applying for a resident Virginia license(s).** Appointments made under the nonresident license will remain in effect during the 90-calendar-day period, unless terminated for other reasons. If the agent obtains a resident Virginia license within the 90-day period, any active appointments will automatically be converted to resident appointments when the resident license is issued. If, at the end of the 90-calendar-day period, the agent has not obtained a resident license, the equivalent nonresident license(s) and associated appointment(s) will be canceled. Anyone who fails to submit the application and nonrefundable, nontransferable license processing fee within 90 calendar days of the cancellation of the applicant's previous license will be required to satisfy all resident agent pre-licensing requirements in order to be issued a license.

D. To obtain a resident license you may apply online at <http://scc.virginia.gov/division/boi/webpages/boiproducer.htm>. Effective March 15, 2010, the Bureau of Insurance no longer mails licenses. Administrative Letter 2010-02 provides instructions for verifying the license has been issued and printing the license online. The Administrative Letter may be reviewed at <http://scc.virginia.gov/division/boi/webpages/boiadminltrsforagents.htm>.

E. If you fail to obtain a Virginia resident license prior to the expiration of the 90 calendar days, you must fax to 804-371-9290 a criminal history record report from your **former** state of residence if you have **not** established a Virginia residence within the **past six months**. Otherwise, contact the Virginia State Police at 804-674-2000 or you may download the form (SP-167) from its website at <http://www.vsp.state.va.us/> to obtain a criminal history record report. **If you fail to provide a current (no more than 90 days old) criminal history record report, the Bureau will refuse to issue a license to you.**

F. As soon as a resident license is issued, any equivalent nonresident license will be terminated. Restricted licenses (those not requiring an exam) may be applied for as soon as residency is established, **PROVIDED** the agent does not hold an unrestricted nonresident license of the same classification (i.e. Life and Health or Property and Casualty), because in that case we will not allow a restricted license to be issued while a nonresident unrestricted "umbrella type" license is in force.

The *Virginia Insurance Licensing Candidate Handbook* contains pre-licensing information and may be viewed and/or downloaded from Pearson VUE at <http://scc.virginia.gov/division/boi/webpages/boitesting.htm> or by calling Pearson VUE at 888-204-6272. The Handbook is not available by fax.

The above information is not intended to be all-inclusive. If you have any questions or problems not addressed here, please contact the Bureau at bureauofinsurance@scc.virginia.gov or visit our website shown below.

<p>Bureau of Insurance Agents Licensing Section P. O. Box 1157 Richmond, Virginia 23218 804-371-9631 804-371-9290 (Fax) bureauofinsurance@scc.virginia.gov www.scc.virginia.gov/division/boi/webpages/boiproducer.htm</p>
