

As Reported by the House Insurance Committee

129th General Assembly

Regular Session
2011-2012

Sub. H. B. No. 250

Representative Hackett

Cosponsors: Representatives Grossman, Stebelton, Beck, Letson

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A B I L L

To amend sections 3905.01, 3905.06, and 3905.40 and 1
to enact section 3905.062 of the Revised Code to 2
establish requirements and procedures for issuing 3
portable electronics insurance. 4

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

Section 1. That sections 3905.01, 3905.06, and 3905.40 be 5
amended and section 3905.062 of the Revised Code be enacted to 6
read as follows: 7

Sec. 3905.01. As used in this chapter: 8

(A) "Business entity" means a corporation, association, 9
partnership, limited liability company, limited liability 10
partnership, or other legal entity. 11

(B) "Home state" means the state or territory of the United 12
States, including the District of Columbia, in which an insurance 13
agent maintains the insurance agent's principal place of residence 14
or principal place of business and is licensed to act as an 15
insurance agent. 16

(C) "Insurance" means any of the lines of authority set forth 17
in Chapter 1739., 1751., or 1761. or Title XXXIX of the Revised 18

Code, or as additionally determined by the superintendent of 19
insurance. 20

(D) "Insurance agent" or "agent" means any person that, in 21
order to sell, solicit, or negotiate insurance, is required to be 22
licensed under the laws of this state, including limited lines 23
insurance agents and surplus line brokers. 24

(E) "Insurer" has the same meaning as in section 3901.32 of 25
the Revised Code. 26

(F) "License" means the authority issued by the 27
superintendent to a person to act as an insurance agent for the 28
lines of authority specified, but that does not create any actual, 29
apparent, or inherent authority in the person to represent or 30
commit an insurer. 31

(G) "Limited line credit insurance" means credit life, credit 32
disability, credit property, credit unemployment, involuntary 33
unemployment, mortgage life, mortgage guaranty, mortgage 34
disability, guaranteed automobile protection insurance, or any 35
other form of insurance offered in connection with an extension of 36
credit that is limited to partially or wholly extinguishing that 37
credit obligation and that is designated by the superintendent as 38
limited line credit insurance. 39

(H) "Limited line credit insurance agent" means a person that 40
sells, solicits, or negotiates one or more forms of limited line 41
credit insurance to individuals through a master, corporate, 42
group, or individual policy. 43

(I) "Limited lines insurance" means those lines of authority 44
set forth in divisions (B)(7) to ~~(10)~~(11) of section 3905.06 of 45
the Revised Code or in rules adopted by the superintendent, or any 46
lines of authority the superintendent considers necessary to 47
recognize for purposes of complying with section 3905.072 of the 48
Revised Code. 49

(J) "Limited lines insurance agent" means a person authorized by the superintendent to sell, solicit, or negotiate limited lines insurance.	50 51 52
(K) "NAIC" means the national association of insurance commissioners.	53 54
(L) "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.	55 56 57 58 59 60
(M) "Person" means an individual or a business entity.	61
(N) "Sell" means to exchange a contract of insurance by any means, for money or its equivalent, on behalf of an insurer.	62 63
(O) "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.	64 65 66
(P) "Superintendent" or "superintendent of insurance" means the superintendent of insurance of this state.	67 68
(Q) "Terminate" means to cancel the relationship between an insurance agent and the insurer or to terminate an insurance agent's authority to transact insurance.	69 70 71
(R) "Uniform application" means the NAIC uniform application for resident and nonresident agent licensing, as amended by the NAIC from time to time.	72 73 74
(S) "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.	75 76 77
Sec. 3905.06. (A)(1) The superintendent of insurance shall	78

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:	79
(a) The applicant is at least eighteen years of age.	83
(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.	84
(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.	87
(d) If required under section 3905.04 of the Revised Code, the applicant has passed an examination for each line of authority for which the applicant has applied.	90
(e) Any applicant applying for variable life-variable annuity line of authority is registered with the financial industry regulatory authority (FINRA) as a registered representative after having passed at least one of the following examinations administered by the FINRA: the series 6 examination, the series 7 examination, the series 63 examination, the series 66 examination, or any other FINRA examination approved by the superintendent.	93
(f) If required under section 3905.051 of the Revised Code, the applicant has consented to a criminal records check and the results of the applicant's criminal records check are determined to be satisfactory by the superintendent.	100
(g) The applicant is a United States citizen or has provided proof of having legal authorization to work in the United States.	104
(h) The applicant is of good reputation and character, is honest and trustworthy, and is otherwise suitable to be licensed.	106
(2) The superintendent shall issue a resident insurance agent	108

license to a business entity applicant upon submission of a completed application and payment of any applicable fees required under this chapter if the superintendent finds all of the following:	109 110 111 112
(a) <u>The Except as provided under division (C)(2) of section 3905.062 of the Revised Code, the applicant either is domiciled in Ohio or maintains its principal place of business in Ohio.</u>	113 114 115
(b) The applicant has designated a licensed insurance agent who will be responsible for the applicant's compliance with the insurance laws of this state.	116 117 118
(c) 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.	119 120 121
(d) <u>Any applicant applying for a portable electronics insurance license line of authority satisfies the requirements of division (C)(1) of section 3905.062 of the Revised Code.</u>	122 123 124
(e) The applicant has submitted any other documents requested by the superintendent.	125 126
(B) An insurance agent license issued pursuant to division (A) of this section shall state the licensee's name, the license number, the date of issuance, the date the license expires, the line or lines of authority for which the licensee is qualified, and any other information the superintendent deems necessary.	127 128 129 130 131
A licensee may be qualified for any of the following lines of authority:	132 133
(1) Life, which is insurance coverage on human lives, including benefits of endowment and annuities, and may include benefits in the event of death or dismemberment by accident and benefits for disability income;	134 135 136 137
(2) Accident and health, which is insurance coverage for	138

sickness, bodily injury, or accidental death, and may include benefits for disability income;	139 140
(3) Property, which is insurance coverage for the direct or consequential loss or damage to property of any kind;	141 142
(4) Casualty, which is insurance coverage against legal liability, including coverage for death, injury, or disability or damage to real or personal property;	143 144 145
(5) Personal lines, which is property and casualty insurance coverage sold to individuals and families for noncommercial purposes;	146 147 148
(6) Variable life and variable annuity products, which is insurance coverage provided under variable life insurance contracts and variable annuities;	149 150 151
(7) Credit, which is limited line credit insurance;	152
(8) Title, which is insurance coverage against loss or damage suffered by reason of liens against, encumbrances upon, defects in, or the unmarketability of, real property;	153 154 155
(9) Surety bail bond, which is the authority set forth in sections 3905.83 to 3905.95 of the Revised Code;	156 157
(10) <u>Portable electronics insurance, which is a limited line described in section 3905.062 of the Revised Code;</u>	158 159
(11) Any other line of authority designated by the superintendent.	160 161
(C)(1) An individual seeking to renew a resident insurance agent license shall apply biennially for a renewal of the license on or before the last day of the licensee's birth month. A business entity seeking to renew a resident insurance agent license shall apply biennially for a renewal of the license on or before the date determined by the superintendent. The superintendent shall send a renewal notice to all licensees at	162 163 164 165 166 167 168

least one month prior to the renewal date.	169
Applications shall be submitted to the superintendent on forms prescribed by the superintendent. Each application shall be accompanied by a biennial renewal fee. The superintendent also may require an applicant to submit any document reasonably necessary to verify the information contained in the renewal application.	170 171 172 173 174
(2) To be eligible for renewal, an individual applicant shall complete the continuing education requirements pursuant to section 3905.481 of the Revised Code prior to the renewal date.	175 176 177
(3) If an applicant submits a completed renewal application, qualifies for renewal pursuant to divisions (C)(1) and (2) of this section, and has not committed any act that is a ground for the refusal to issue, suspension of, or revocation of a license under section 3905.14 of the Revised Code, the superintendent shall renew the applicant's resident insurance agent license.	178 179 180 181 182 183
(D) If an individual or business entity does not apply for the renewal of the individual or business entity's license on or before the license renewal date specified in division (C)(1) of this section, the individual or business entity may submit a late renewal application along with all applicable fees required under this chapter prior to the first day of the second month following the license renewal date.	184 185 186 187 188 189 190
(E) A license issued under this section that is not renewed on or before its renewal date pursuant to division (C) of this section or its late renewal date pursuant to division (D) of this section automatically is suspended for nonrenewal on the first day of the second month following the renewal date. If a license is suspended for nonrenewal pursuant to this division, the individual or business entity is eligible to apply for reinstatement of the license within the twelve-month period following the date by which the license should have been renewed by complying with the	191 192 193 194 195 196 197 198 199

reinstatement procedure established by the superintendent and 200
paying all applicable fees required under this chapter. 201

(F) A license that is suspended for nonrenewal that is not 202
reinstated pursuant to division (E) of this section automatically 203
is canceled unless the superintendent is investigating any 204
allegations of wrongdoing by the agent or has initiated 205
proceedings under Chapter 119. of the Revised Code. In that case, 206
the license automatically is canceled after the completion of the 207
investigation or proceedings unless the superintendent revokes the 208
license. 209

(G) An individual licensed as a resident insurance agent who 210
is unable to comply with the license renewal procedures 211
established under this section and who is unable to engage in the 212
business of insurance due to military service, a long-term medical 213
disability, or some other extenuating circumstance may request an 214
extension of the renewal date of the individual's license. To be 215
eligible for such an extension, the individual shall submit a 216
written request with supporting documentation to the 217
superintendent. At the superintendent's discretion, the 218
superintendent may not consider a written request made after the 219
renewal date of the license. 220

Sec. 3905.062. (A) As used in this section: 221

(1) "Customer" means a person who purchases portable 222
electronics or services. 223

(2) "Enrolled customer" means a customer who elects coverage 224
under a portable electronics insurance policy issued to a vendor 225
of portable electronics by an insurer. 226

(3) "Endorsee" means an employee or authorized representative 227
of a vendor authorized to sell or offer portable electronics 228
insurance. 229

<u>(4) "Location" means any physical location in this state or any web site, call center site, or similar location directed to residents of this state.</u>	230 231 232
<u>(5) "Portable electronics" means a personal, self-contained, battery-operated electronic communication, viewing, listening, recording, gaming, computing, or global positioning device that is easily carried by an individual, including a cellular or satellite telephone; pager; personal global positioning satellite unit; portable computer; portable audio listening, video viewing or recording device; digital camera; video camcorder; portable gaming system; docking station; automatic answering device; and any other similar device, and any accessory related to the use of the device.</u>	233 234 235 236 237 238 239 240 241 242
<u>(6) "Portable electronics insurance" means insurance providing coverage for the repair or replacement of portable electronics, which may be offered on a month-to-month or other periodic basis as a group or master commercial inland marine policy issued to a vendor by an insurer, and may cover portable electronics against loss, theft, inoperability due to mechanical failure, malfunction, damage, or other applicable perils. "Portable electronics insurance" does not mean any of the following:</u>	243 244 245 246 247 248 249 250 251
<u>(a) A consumer goods service contract governed by section 3905.423 of the Revised Code;</u>	252 253
<u>(b) A policy of insurance covering a seller's or a manufacturer's obligations under a warranty;</u>	254 255
<u>(c) A homeowner's, renter's, private passenger automobile, commercial multi-peril, or similar insurance policy.</u>	256 257
<u>(7) "Portable electronics transaction" means the sale or lease of portable electronics by a vendor to a customer or the sale of a service related to the use of portable electronics by a</u>	258 259 260

<u>vendor to a customer.</u>	261
<u>(8) "Supervising entity" means an insurer or a business entity licensed as an insurance agent under section 3905.06 of the Revised Code that is appointed by an insurer to supervise the administration of a portable electronics insurance program.</u>	262 263 264 265
<u>(9) "Vendor" means a person in the business of engaging in portable electronics transactions directly or indirectly.</u>	266 267
<u>(B)(1) Except as provided in division (B)(2) of this section, no vendor or vendor's employee shall offer, sell, solicit, or place portable electronics insurance unless the vendor is licensed under section 3905.06 or 3905.07 of the Revised Code with a portable electronics insurance line of authority.</u>	268 269 270 271 272
<u>(2) Any vendor offering or selling portable electronics insurance on or before the effective date of this section that wishes to continue offering or selling that insurance shall apply for a license within ninety days after the superintendent of insurance makes the application available.</u>	273 274 275 276 277
<u>(C)(1) The superintendent shall issue a resident business entity license to a vendor under section 3905.06 of the Revised Code if the vendor satisfies the requirements of sections 3905.05 and 3905.06 of the Revised Code, except that the application for a portable electronics insurance license shall satisfy the following additional requirements:</u>	278 279 280 281 282 283
<u>(a) The application shall include the location of the vendor's home office.</u>	284 285
<u>(b) If the application requires the vendor to designate an individual or entity as a responsible insurance agent, that agent shall not be required to be an employee of the applicant and may be the supervising entity or an individual agent who is an employee of the supervising entity.</u>	286 287 288 289 290

<u>(c) If the vendor derives less than fifty per cent of the vendor's revenue from the sale of portable electronics insurance, the application for a portable electronics insurance license may require the vendor to provide the name, residence address, and other information required by the superintendent for one employee or officer of the vendor who is designated by the vendor as the person responsible for the vendor's compliance with the requirements of this chapter.</u>	291 292 293 294 295 296 297 298
<u>(d) If the vendor derives fifty per cent or more of the vendor's revenue from the sale of portable electronics insurance, the application may require the information listed under division (C)(1)(c) of this section for all owners with at least ten percent interest or voting interest, partners, officers, and directors of the vendor, or members or managers of a vendor that is a limited liability company.</u>	299 300 301 302 303 304 305
<u>(2) The superintendent shall issue a nonresident business entity license to a vendor if the vendor satisfies the requirements of section 3905.07 of the Revised Code. However, if the nonresident vendor's home state does not issue a limited lines license for portable electronics insurance, the nonresident vendor may apply for a resident license under section 3905.06 of the Revised Code in the same manner and with the same rights and privileges as if the vendor were a resident of this state.</u>	306 307 308 309 310 311 312 313
<u>(D) The holder of a limited lines license may not sell, solicit, or negotiate insurance on behalf of any insurer unless appointed to represent that insurer under section 3905.20 of the Revised Code.</u>	314 315 316 317
<u>(E) Division (B)(34) of section 3905.14 of the Revised Code shall not apply to portable electronics vendors or the vendors' endorsees.</u>	318 319 320
<u>(F)(1) A vendor may authorize any endorsee of the vendor to</u>	321

<u>sell or offer portable electronics insurance to a customer at any location at which the vendor engages in portable electronics transactions.</u>	322 323 324
<u>(2) An endorsee is not required to be licensed as an insurance agent under this chapter if the vendor is licensed under this section and the insurer issuing the portable electronics insurance either directly supervises or appoints a supervising entity to supervise the administration of the portable electronics insurance program including development of a training program for endorsees in accordance with division (G) of this section.</u>	325 326 327 328 329 330 331
<u>(3) No endorsee shall do any of the following:</u>	332
<u>(a) Advertise, represent, or otherwise represent the endorsee's self as an insurance agent licensed under section 3905.06 of the Revised Code;</u>	333 334 335
<u>(b) Offer, sell, or solicit the purchase of portable electronics insurance except in conjunction with and incidental to the sale or lease of portable electronics;</u>	336 337 338
<u>(c) Make any statement or engage in any conduct, express or implied, that would lead a customer to believe any of the following:</u>	339 340 341
<u>(i) That the insurance policies offered by the endorsee provide coverage not already provided by a customer's homeowner's insurance policy, renter's insurance policy, or by another source of coverage;</u>	342 343 344 345
<u>(ii) That the purchase by the customer of portable electronics insurance is required in order to purchase or lease portable electronics or services from the portable electronics vendor;</u>	346 347 348 349
<u>(iii) That the portable electronics vendor or its endorsees are qualified to evaluate the adequacy of the customer's existing</u>	350 351

<u>insurance coverage.</u>	352
<u>(G) Each vendor, or the supervising entity to that vendor, shall provide a training and education program for all endorsees who sell or offer portable electronics insurance. The program may be provided as a web-based training module or in any other electronic or recorded video form. The training and education program shall meet all of the following minimum standards:</u>	353
<u>(1) The training shall be delivered to each endorsee of each vendor who sells or offers portable electronics insurance and the endorsee shall complete the training;</u>	354
<u>(2) If the training is conducted in an electronic form, the supervising entity shall implement a supplemental education program regarding portable electronics insurance that is conducted and overseen by employees of the supervising entity who are licensed as insurance agents under section 3905.06 of the Revised Code;</u>	355
<u>(3) The training and education program shall include basic information about portable electronics insurance and information concerning all of the following prohibited actions of endorsees:</u>	356
<u>(a) No endorsee shall advertise, represent, or otherwise represent the endorsee's self as a licensed insurance agent.</u>	357
<u>(b) No endorsee shall offer, sell, or solicit the purchase of portable electronics insurance except in conjunction with and incidental to the sale or lease of portable electronics.</u>	358
<u>(c) No endorsee shall make any statement or engage in any conduct, express or implied, that would lead a customer to believe any of the following:</u>	359
<u>(i) That the insurance policies offered by the endorsee provide coverage not already provided by a customer's homeowner's insurance policy, renter's insurance policy, or by another source</u>	360
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<u>of coverage;</u>	382
(ii) <u>That the purchase by the customer of portable electronics insurance is required in order to purchase or lease portable electronics or services from the portable electronics vendor;</u>	383
(iii) <u>That the portable electronics vendor or its endorsees are qualified to evaluate the adequacy of the customer's existing insurance coverage.</u>	384
(H) <u>A supervising entity appointed to supervise the administration of a portable electronics insurance program under division (F)(2) of this section shall maintain a registry of locations supervised by that entity that are authorized to sell or solicit portable electronics insurance in this state. The supervising entity shall make the registry available to the superintendent upon request by the superintendent if the superintendent provides ten days' notice to the vendor or supervising entity.</u>	385
(I) <u>At every location where a vendor offers portable electronics insurance to customers, the vendor shall provide brochures or other written materials to prospective customers that include all of the following:</u>	386
(1) <u>A summary of the material terms of the insurance coverage, including all of the following:</u>	387
(a) <u>The identity of the insurer;</u>	388
(b) <u>The identity of the supervising entity;</u>	389
(c) <u>The amount of any applicable deductible and how it is to be paid;</u>	390
(d) <u>Benefits of the coverage;</u>	391
(e) <u>Key terms and conditions of coverage such as whether portable electronics may be replaced with a similar make and</u>	392

<u>model, replaced with a reconditioned device, or repaired with nonoriginal manufacturer parts or equipment.</u>	412 413
<u>(2) A summary of the process for filing a claim, including a description of how to return portable electronics equipment and the maximum fee applicable if a customer fails to comply with any equipment return requirements;</u>	414 415 416 417
<u>(3) A disclosure that portable electronics insurance may provide a duplication of coverage already provided by a customer's homeowner's insurance policy, renter's insurance policy, or other source of coverage;</u>	418 419 420 421
<u>(4) A disclosure that the enrollment by the customer in a portable electronics insurance program is not required to purchase or lease portable electronics or services;</u>	422 423 424
<u>(5) A disclosure that neither the endorsee nor the vendor is qualified to evaluate the adequacy of the customer's existing insurance coverage;</u>	425 426 427
<u>(6) A disclosure that the customer may cancel enrollment for coverage under a portable electronics insurance policy at any time and receive a refund of any applicable premium.</u>	428 429 430
<u>(J)(1) The charges for portable electronics insurance may be billed and collected by the vendor of portable electronics, and the vendor may receive compensation for performing billing and collection services, if either of the following conditions are met:</u>	431 432 433 434 435
<u>(a) If the charge to the customer for coverage is not included in the cost associated with the purchase or lease of portable electronics or related services, the charge for coverage is separately itemized on the customer's bill.</u>	436 437 438 439
<u>(b) If the charge to the customer for coverage is included in the cost associated with the purchase or lease of portable</u>	440 441

<u>electronics or related services, the vendor clearly and</u>	442
<u>conspicuously discloses to the customer that the charge for</u>	443
<u>portable electronics insurance coverage is included with the</u>	444
<u>charge for portable electronics or related services.</u>	445
<u>(2) All funds received by a vendor from a customer for the</u>	446
<u>sale of portable electronics insurance shall be considered funds</u>	447
<u>held in trust by the vendor in a fiduciary capacity for the</u>	448
<u>benefit of the insurer. Vendors that bill and collect such charges</u>	449
<u>are not required to maintain those funds in a segregated account</u>	450
<u>if the vendor is authorized by the insurer to hold those funds in</u>	451
<u>an alternate manner and the vendor remits the amount of the</u>	452
<u>charges to the supervising entity within sixty days after</u>	453
<u>receiving the charges.</u>	454
<u>(K)(1) Except as otherwise provided in divisions (K)(2) and</u>	455
<u>(3) of this section, an insurer may terminate or otherwise change</u>	456
<u>the terms and conditions of a policy of portable electronics</u>	457
<u>insurance only upon providing the vendor policyholder and enrolled</u>	458
<u>customers with at least sixty days' prior notice. If the insurer</u>	459
<u>changes the terms and conditions, the insurer shall promptly</u>	460
<u>provide the vendor policyholder with a revised policy or</u>	461
<u>endorsement and each enrolled customer with a revised certificate,</u>	462
<u>endorsement, updated brochure, or other evidence indicating that a</u>	463
<u>change in the terms and conditions has occurred and a summary of</u>	464
<u>material changes.</u>	465
<u>(2) An insurer may terminate an enrolled customer's</u>	466
<u>enrollment under a portable electronics insurance policy upon</u>	467
<u>fifteen days' prior notice for discovery of fraud or material</u>	468
<u>misrepresentation in obtaining coverage or in the presentation of</u>	469
<u>a claim under the policy.</u>	470
<u>(3) An insurer may immediately terminate an enrolled</u>	471
<u>customer's enrollment under a portable electronics insurance</u>	472
<u>policy for any of the following reasons:</u>	473

<u>(a) The enrolled customer fails to pay the required premium;</u>	474
<u>(b) The enrolled customer ceases to have an active service plan, if applicable, with the vendor of portable electronics;</u>	475
<u>(c) The enrolled customer exhausts the aggregate limit of liability, if any, under the terms of the portable electronics insurance policy and the insurer sends notice of termination to the customer within thirty calendar days after exhaustion of the limit. However, if the insurer does not send the notice within the thirty-day time frame, enrollment shall continue notwithstanding the aggregate limit of liability until the insurer sends notice of termination to the enrolled customer.</u>	477 478 479 480 481 482 483 484
<u>(4) If a portable electronics insurance policy is terminated by a vendor policyholder, the vendor policyholder shall provide notice to each enrolled customer advising the customer of the termination of the policy and the effective date of the termination. The written notice shall be mailed or delivered to the customer at least thirty days prior to the termination.</u>	485 486 487 488 489 490
<u>(5) Notice required pursuant to this section shall be provided in writing, either via mail or by electronic means.</u>	491 492
<u>(a) If notice is provided via mail, it shall be mailed or delivered to the vendor at the vendor's mailing address and to all affected enrolled customers at the last known mailing addresses of those customers on file with the insurer. The insurer or vendor of portable electronics shall maintain proof of mailing in a form authorized or accepted by the United States postal service or other commercial mail delivery service.</u>	493 494 495 496 497 498 499
<u>(b) If notice is provided electronically, it shall be transmitted via facsimile or electronic mail to the vendor at the vendor's facsimile number or electronic mail address and to all affected enrolled customers at the last known facsimile numbers or electronic mail addresses of those customers on file with the</u>	500 501 502 503 504

insurer. The insurer or vendor shall maintain proof that the notice was sent. 505
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(L) An enrolled customer may cancel the enrolled customer's coverage under a portable electronics insurance policy at any time. Upon cancellation, the insurer shall refund any applicable unearned premium. 507
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(M) A license issued pursuant to this section shall authorize the vendor and its endorsees to engage only in those activities that are expressly permitted by this section. 511
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(N)(1) If a vendor or a vendor's endorsee violates any provision of this section, the superintendent may revoke or suspend the license issued or impose any other sanctions provided under section 3905.14 of the Revised Code. 514
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(2) If any provision of this section is violated by a vendor or a vendor's endorsee at a particular location, the superintendent may issue a cease and desist order to a particular location, or take any other administrative action authorized in section 3901.22 and division (D) of section 3905.14 of the Revised Code. 518
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(3) If any person violates division (B) or (F)(3) of this section, the superintendent may issue a cease and desist order in addition to taking any other administrative action provided for in sections 3901.22 and division (D) of section 3905.14 of the Revised Code. 524
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(4) If the superintendent determines that a violation of this section or section 3905.14 of the Revised Code has occurred, the superintendent may assess a civil penalty in amount not exceeding twenty-five thousand dollars per violation and an administrative fee to cover the expenses incurred by the department in the administrative action, including costs incurred in the investigation and hearing process. 529
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<u>(O) The superintendent may adopt rules implementing this section.</u>	536
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Sec. 3905.40. There shall be paid to the superintendent of insurance the following fees:	538
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(A) Each insurance company doing business in this state shall pay:	540
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(1) For filing a copy of its charter or deed of settlement, two hundred fifty dollars;	542
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(2) For filing each statement, one hundred seventy-five dollars;	544
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(3) For each certificate of authority or license, one hundred seventy-five, and for each certified copy thereof, five dollars;	546
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(4) For each copy of a paper filed in the superintendent's office, twenty cents per page;	548
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(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;	550
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(6) For issuing certificates of compliance or certified copies thereof, sixty dollars;	553
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(7) For affixing the seal of office and certifying documents, other than those enumerated herein, two dollars;	555
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(8) For each agent appointment and each annual renewal of an agent appointment, twenty dollars;	557
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(9) For each termination of an agent appointment, five dollars.	559
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(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.	561
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(C) Each applicant for licensure as an insurance agent except applicants for licensure as surety bail bond agents <u>and</u> surplus line brokers, <u>and portable electronics insurance vendors</u> 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.	564 565 566 567 568 569 570
(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 the affirmative vote of two-thirds of the policyholders present in person or by proxy at any annual meeting of policyholders or at a special meeting of policyholders called for that purpose.	571 572 573 574 575 576 577 578
(E) Each insurance agent doing business in this state shall pay a biennial license renewal fee of twenty-five dollars, except the following insurance agents are not required to pay <u>the that</u> license renewal fee:	579 580 581 582
(1) Individual resident agents who have met their continuing education requirements under section 3905.481 of the Revised Code;	583 584
(2) Surety bail bond agents;	585
(3) Surplus line brokers;	586
(4) <u>Portable electronics insurance vendors.</u>	587
(F) <u>Each applicant for licensure as a portable electronics insurance vendor with a portable electronics insurance limited lines license and each licensed vendor doing business in this state shall pay the following fees prescribed by the superintendent:</u>	588 589 590 591 592
(1) <u>For vendors engaged in portable electronic transactions</u>	593

<u>at more than ten locations in this state, an application fee not to exceed five thousand dollars for an initial license and a biennial license renewal fee not to exceed two thousand five hundred dollars for each renewal thereafter;</u>	594
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<u>(2) For vendors engaged in portable electronic transactions at ten or fewer locations in this state, an application fee not to exceed three thousand dollars for an initial license and a biennial license renewal fee not to exceed one thousand dollars for each renewal thereafter.</u>	598
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<u>(G) All fees collected by the superintendent under this section except any fees collected under divisions (A)(2), (3), and (6) of this section shall be credited to the department of insurance operating fund created under section 3901.021 of the Revised Code.</u>	603
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Section 2. That existing sections 3905.01, 3905.06, and 3905.40 of the Revised Code are hereby repealed.	608
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