IDAHO
Department of Insurance

LIMITED LINES PRODUCER PRE-LICENSING MANUAL

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- For licensing information not covered in this publication, please visit www.doi.idaho.gov

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INTRODUCTION

A Message from the Department of Insurance

The Idaho Department of Insurance is the regulatory body that administers and enforces the Idaho Insurance Code. The Department is responsible for protecting the public by enforcing Idaho laws and rules and establishing the basic requirements to qualify for an Idaho producer license.

This manual provides an overview of the licensing requirements and an explanation of the various types and requirements of limited lines credit policies. It is important that you understand which activities require an insurance license and what rights the consumer has in the insurance transaction under the terms of the contract or policy and the law.

If you have questions after reading this manual, please contact the Department's Licensing Section at 208-334-4339 or via email at agent@doi.idaho.gov. Additionally, please explore www.doi.idaho.gov for more information.

We look forward to welcoming you as a new licensee to the insurance business and wish you every success in your insurance endeavors.

At a Glance

No examination is required to obtain a Limited Lines Producer license; however, the following steps must be completed:

1. Review this handbook thoroughly.
2. Contact PSI to verify available times and locations for fingerprinting. No appointment is necessary.
3. Complete the application (either online or by paper) and pay the $80 fee
4. Submit the following documents via email (agent@doi.idaho.gov) or by fax (208-334-4398)
   a) Attestation page from this manual
   b) CHRI Request and Release forms
   c) Fingerprint receipt
   d) Any necessary background documents

FOREWORD

Objectives

This self-study course has two very important objectives:

1. To provide an understanding of what the law requires regarding licensing including:
   - Qualifications to get an insurance license
   - Idaho law regarding the acts of selling, soliciting and negotiating insurance contracts with consumers
   - The licensee's obligations to those consumers
2. To provide an applicant with knowledge of:
   - How limited lines insurance works in general
   - Events the insurance covers and does not cover
   - Limitations of who may or may not be covered
   - Insured's rights regarding cancellation or discontinuation of a contract

Department Responsibilities

The Department has a primary responsibility to Idaho citizens to make sure the insurance producer has an understanding of the benefits and limitations of the insurance products he or she sells as well as what the rights are of the insured, owner and beneficiary of the policy.

Producer Responsibilities

The limited lines insurance producer is responsible for explaining accurately to the client the benefits of purchasing a particular policy and for explaining how the product will affect the payment of each client's debt. Each producer must also understand that the purchase of limited lines insurance through a particular lender is not a necessary requirement to qualify for a loan.

BEFORE YOU START

Activities that Require a License

A producer of insurance is defined by the activities which he/she performs. Basically, if an individual sells, solicits or negotiates insurance as defined by the Idaho Insurance Code he/she must have a license as an insurance producer.

In the past, some individuals have sold insurance under the umbrella of a company's or agency's license or under the license of another individual.

This practice is not acceptable.

In Idaho, each individual who is selling, soliciting or negotiating insurance must have his or her own license.

Key Terms

The following terms are defined in law as those activities which require a person to obtain an insurance license. They further clarify what the activities encompass:

1. Idaho Code § 41-1003 (5) A **limited lines insurance producer** is a producer authorized by the Director of the Idaho Department of Insurance to **sell, solicit or negotiate** limited lines insurance.
2. Idaho Code § 41-1003 (10) **Sell** means to exchange a contract of insurance by any means, for money or its equivalent, on behalf of an insurance company.
3. Idaho Code § 41-1003 (11) **Solicit** means to attempt to sell insurance or ask or urge a person to apply for a particular kind of insurance from a particular company or companies.
4. Idaho Code § 41-1003 (6) **Negotiate** means to confer directly with or offer advice directly to a purchaser or prospective purchaser of a particular contract of insurance concerning any of the substantive benefits, terms or conditions of the contract, provided that the person engaged in the act either sells insurance or obtains insurance from insurers for purchasers.

Resident Qualifications

Idaho Code § 41-1007, Resident Licensing. To receive a producer license in Idaho, a resident individual must:

1. Be at least 18 years of age
2. Submit the standard NAIC uniform application either by paper or electronically on NIPR.com or Sircon.com
3. Submit his or her fingerprints
4. Not have committed any act that is grounds for denial, suspension or revocation of the license as set forth in the Idaho Code
5. Pay the prescribed fees for licensing and fingerprint processing
6. Complete this program of instruction and submit the attestation that the information in this course has been studied

The Federal Violent Crime Control and Law Enforcement Act of 1994 prohibits an individual who has been convicted of a felony involving breach of trust or dishonesty from engaging in the business of insurance without first obtaining a written waiver from the Director of the Department. Issuance of the waiver is within the Director's discretion. A resident applicant who has been convicted of a felony should contact the Department to determine whether an Application for Written Consent to Engage in the Business of Insurance (1033 form) is needed. If required, this application should be submitted before applying for a license as, without a written waiver from the Director, the applicant may be automatically declined.

Non-Resident Qualifications

Idaho Code § 41-1009, To receive a producer license in Idaho as a non-resident, an individual must:

1. Be currently licensed as a resident and in good standing in his or her home state
2. Submit the standard NAIC uniform application either by paper or electronically on NIPR.com or Sircon.com
3. Live in a state that issues licenses to Idaho residents on the same basis as Idaho issues a licenses to nonresidents
4. Submit all fees required for licensing

What the Law Says About Proper Licensing and Payment of Commissions

It is a violation of law for a person to represent himself or herself or to act as an insurance producer without first being licensed. The law is also very clear regarding proper licensing and the payment of commissions:

Idaho Code § 41-1017. An insurance company or insurance producer shall not pay a commission, service fee or other valuable consideration to a person for selling, soliciting or negotiating insurance in this state if that person is not duly licensed. A person shall not accept a commission, service fee or other valuable consideration for selling, soliciting or negotiating insurance in this state if that person is not duly licensed.

Idaho Code § 41-1022. No authorized insurer shall make, write, place or cause to be made, written or placed in this state any policy, duplicate policy, or insurance contract of any kind, covering a subject of insurance resident, located or to be performed in this state through any person who is not then licensed as a producer in this state.

Basis for Suspension, Revocation, or Refusal of a License

Following is a list of some of the violations which could result in the denial, suspension or revocation of a license. This list should serve to alert all insurance producers that they are expected to understand and to correctly represent the products they sell to the consuming public.

Idaho Code § 41-1016. The Director may impose an administrative penalty not to exceed $1,000 per violation and may suspend for not more than 12 months or may revoke or refuse to issue or continue any license if the Director finds that the licensee has committed any one of the following violations:

1. Providing incorrect, misleading, incomplete or materially untrue information in the license or renewal application
2. Violating any provision of the Idaho Insurance Code, Department Rule or Director's Order
3. Obtaining or attempting to obtain a license through misrepresentation or fraud
4. Misrepresenting the terms of an actual or proposed insurance contract or application for insurance or misrepresenting any fact material to any insurance transaction or proposed transaction
5. Being convicted of or pleading guilty to any felony or to a misdemeanor which evidences bad moral character, dishonesty, a lack of integrity and financial responsibility, or an unfitness and inability to provide acceptable service to the consuming public

6. Admitting or being found to have committed any insurance unfair trade practice or fraud
7. Using fraudulent, coercive or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility, or being a source of injury and loss to the public or others, in the conduct of business
8. Having an insurance license denied, suspended or revoked in any other jurisdiction.
9. Forging another person's name on an application for insurance or on any document related to an insurance transaction
10. Failing to comply with an administrative court order imposing child support obligations
11. Failing to pay state income tax

Contractual Promise

Insurance is a promise made by an insurance company to pay a specified benefit in the future should a specified event or events occur, as defined in the insurance policy. The policy is a contract between the insurance company and the consumer. Because the consumer cannot experience, feel or see the benefits that the insurance protection provides at the time of purchase, the sale of insurance requires trust that the insurance producer understands what he or she is selling and has thoroughly explained the terms of the policy to the consumer.

Additional Requirements

Idaho Code § 41-1018. An insurance producer must be appointed by an insurer to act as an agent for an insurer. The appointing insurer shall file a notice of appointment with the department within 15 days of the date of the agency contract or the first insurance application is submitted.

An appointment is a contractual agreement between an individual and an insurance company that gives the individual the authority to act on behalf of the insurer as the insurer's agent. This authority allows the agent to take applications, collect premium and, in some cases, bind policies.

Idaho Code § 41-1021 (1). A producer shall report to the Director any administrative action taken against the producer in another jurisdiction or by another governmental agency within 30 days of the final disposition of the matter. This report shall include a copy of the order, consent order or other relevant legal documents.

Idaho Code § 41-1021 (2). Within 30 days of the initial pretrial hearing date, a producer shall report to the Director any criminal prosecution of the producer taken in any jurisdiction. The report shall include a copy of the initial complaint filed, the order resulting from the hearing and any other relevant legal documents.

Failure to comply with this provision of the code may lead to a fine and/or suspension or revocation of a license.

The Department requires producers to submit documentation related to administrative actions and criminal prosecutions. Additional explanation or related information should also be submitted to the Department.

Summary

To sell, solicit or negotiate insurance with a consumer, an individual must be licensed as an insurance producer.

An insurance company may not pay any fee or commission to anyone for selling, soliciting, or negotiating insurance that is not licensed as a producer. An individual shall not accept any fee or commission for selling, soliciting or negotiating insurance unless currently licensed as a producer.

The insurance producer has an obligation to make sure an insurance product is suitable to the needs of the client and to explain what is and is not covered under the terms of a policy.

An insurance producer who is not abiding by Idaho Insurance Code may be fined, lose their producer license or both.

TYPES OF LIMITED LINES INSURANCE

Definitions per Idaho Code

Idaho code § 41-1003(4) Limited lines insurance restricts the authority of the license to less than the total authority prescribed in the associated major lines. Limited lines include but are not limited to:

- Credit insurance – credit life, credit disability, credit property, credit unemployment, involuntary unemployment, mortgage life, mortgage guaranty, mortgage disability, guaranteed automobile protection (GAP) insurance
- Travel insurance – transportation baggage insurance, transportation ticket policies covering personal accident insurance
- Pet insurance

Differences Between a Limited Line and a Major Line

A limited line of insurance covers only a specific subject matter. Limited line licenses have simpler licensing requirements than those for major lines. Idaho does not require an examination for limited lines producers.

Unlike major lines licensing, limited lines producer applicants may qualify for a license by studying this booklet and attesting that they have done so. No continuing education is required to maintain the license, although review of this material is recommended prior to renewing the license.

CREDIT INSURANCE

Overview of Credit Insurance

The use of credit enables the average family to purchase an automobile, home and many other products while paying for them over a period of time. People make purchases on credit with the idea of paying for them with wages that will be earned in the future. However, unforeseen events may occur that disrupt the borrower's income flow, causing a financial burden and potential credit problems.

In many cases, credit insurance is the only thing that stands between a borrower and bankruptcy. As with any insurance purchase, credit insurance offers the borrower peace of mind in the knowledge that, if any of the insured events should occur, the borrower or his or her family will not be burdened with an unpaid bill when they can least afford it. The credit insurance that was purchased meets the borrower's debt obligation for them.

No one can predict what the future will bring, but credit insurance can lessen the financially catastrophic effect that death, disability or even unemployment may bring to an individual or a family.

In the past, the two primary credit insurance contracts available to the borrower were credit life insurance and credit disability insurance. Today the area known in the Idaho insurance code as "credit insurance" has been expanded to cover such things as "unemployment" and "credit property." Idaho Code defines CREDIT insurance as the following: credit life, credit disability, credit property, credit unemployment, involuntary unemployment, mortgage life, mortgage guaranty, mortgage disability, and guaranteed automobile protection (GAP) insurance.

Credit insurance is sold in conjunction with a credit obligation or loan. If the insured loses his or her job or becomes unable to work due to some type of disability – and these events prevent the insured from making the necessary loan payments – credit insurance protects the lender from the insured person's inability to repay the loan by making payments to the lender on behalf of the insured person.

There are four main types of credit insurance:
Credit Life Insurance: Pays off all or some of the loan if the insured dies during the term of coverage.
Credit Disability Insurance: (Also known as credit accident and health insurance.) Pays a limited number of monthly payments on a specific loan if the insured becomes ill or injured and cannot work during the term of coverage.
Credit Involuntary Unemployment Insurance: (Also known as involuntary loss of income insurance.) Pays a specified number of monthly loan payments if the insured loses his or her job due to no fault of his or her own, such as a layoff, during the term of coverage.
Credit Property Insurance: Protects personal property used to secure the loan if destroyed by events such as theft, accident or natural disaster during the term of coverage. Unlike the first three credit insurance products, credit property insurance is not directly related to an event affecting the insured's ability to repay his or her debt.

The cost of credit insurance is dependent upon a number of factors – including the amount of the loan or debt, the type of credit and the type of policy – that may impact the cost of a credit insurance policy. Companies will generally charge premiums by either using a single premium method (premium is calculated at the time of the loan and is often added to the amount of the loan) or a monthly outstanding balance method (generally used for credit cards, revolving home equity loans, or similar debts.)

The benefit paid is dependent upon the type of insurance. Credit life policies pay the proceeds directly to the creditor upon the death of the insured. Credit disability and credit unemployment benefits are paid to the creditor subject to waiting periods outlined by the policy terms to keep the loan in force.

Note: It is against the law for a lender to include credit insurance in a loan without the knowledge or permission of the borrower. Additionally, with the exception of private mortgage insurance (PMI), lenders may not deny credit based on the declination of optional credit insurance. PMI is extra insurance that lenders require from most homebuyers with less than a 20 percent down payment on the purchase of a home.

Specific Code References Regarding Credit Insurance

Idaho Code § 41-2303. In Idaho, the maximum loan period for a credit life insurance policy is 15 years.

Idaho Code § 41-2306. The amount of credit insurance on individual credit insurance contracts shall not exceed the initial indebtedness. However, in cases where the indebtedness is repayable in equal installments, the amount of insurance shall at no time exceed the scheduled or actual amount of the indebtedness, whichever is greater.

Idaho Code § 41-2005. Plans written under a group insurance master contract are subject to the limits as stated in this section of the code, which limits the amount of insurance to the amount owed by the creditor or $75,000, whichever is less.

Idaho Code § 41-2307. The term of the credit life or disability insurance, subject to acceptance by the insurance company, commences on the date the debtor becomes obligated to the creditor with one exception. In the event a group policy provides coverage with respect to existing obligations, the insurance on a debtor, with respect to such indebtedness, shall commence on the effective date of the policy. Where evidence of insurability is required and such evidence is furnished more than 30 days after the date the debtor becomes obligated to the creditor, the term of the insurance may commence on the date on which the insurer determines the evidence to be satisfactory. In such event there shall be an appropriate refund or adjustment of any charge to the debtor for insurance. The term of such insurance shall not extend more than 15 days beyond the scheduled maturity date of the indebtedness except when extended without additional cost to the debtor.

Idaho Code § 41-2313. When credit life or disability insurance is required as additional security for any indebtedness, the debtor shall, upon request to the creditor, have the option of furnishing the required amount of insurance through existing policies of insurance owned or controlled by him, or of procuring and furnishing the required coverage through any insurer authorized to transact insurance business in Idaho.

Often the individual insurance producer is the primary contact for purchasers of credit life and disability insurance. As the contact person, the producer should be aware of those rules which set the rights of the debtor in reference to the credit life or disability insurance contract.

1. The debtor has a right to substitute existing coverage or provide the required coverage from another source if the debtor so chooses. If the lender requires coverage, the lender must inform the debtor of this right of substitution.
2. If the debtor is covered by a group credit policy and pays a single premium and the policy is terminated for any reason, the insurance coverage with respect to any debtor insured under such policy shall be continued for the entire period for which the single premium has been paid.
3. If the debtor is covered by a group credit insurance policy providing for premiums to be paid on a monthly outstanding balance basis, then the policy shall provide that, in the event of termination of such policy for whatever reason, notice shall be given to the insured debtor at least 30 days prior to the effective date of termination except where replacement coverage in the same or greater amount is provided without lapse in coverage.
4. If the indebtedness is discharged due to renewal or refinancing prior to the scheduled maturity date, the insurance in force shall be terminated before any new insurance may be issued in connection with the renewed or refinanced indebtedness. In all cases of such termination prior to scheduled maturity, a refund shall be paid or credited to the debtor. In addition, the policy shall provide that, in the event the debtor becomes disabled while insured, credit disability insurance benefits will be payable during continued disability regardless of termination of the insurance by renewal or refinancing.
5. If a debtor prepays a loan other than as a result of death or through a lump sum disability payment, any life or disability insurance coverage covering such indebtedness shall be terminated and an appropriate refund of the premium shall be paid to the debtor. In the event the debtor is disabled, no refund need be paid during any period of disability for which credit disability benefits are payable.
6. An insurer has 30 days from the date of the application to refund the premium to the applicant. Otherwise the insurer is deemed to have waived any conditions for issuance of the insurance based on the information on the application.

IDAPA 18.01.61.015 – If an insurance company charges the maximum rates as set forth under IDAPA 18.01.61.014, which are known as **prima facie rates,** they are restricted to the following rules:

1. No exclusions other than suicide within six months of the incurred indebtedness

2. Either no age restrictions or age restrictions making ineligible debtors age 65 or over at the time the indebtedness is incurred or debtors having attained age 70 or over on the maturity date of the indebtedness
3. On insurance written on closed-end credit plans and open-end credit plans where insurance is based on the unpaid balance, no provision excluding or denying a claim for death resulting from a preexisting condition except for those conditions for which the insured debtor received medical advice, diagnosis or treatment within six months preceding the effective date of coverage and which caused or substantially contributed to the death of the insured debtor within six months following the effective date of coverage. The Director may approve other more restrictive provisions.
4. In the event of termination, no charge for credit insurance is allowed during the first 15 days of the loan month, and a full month's premium may be charged for 16 days or more of a loan month.
5. If the policy is terminated for any reason, the minimum refund that need be made is $5.01. Any amount of $5.00 or less need not be refunded.

Disclosure requirements:

1. At the time of application for credit insurance, disclosures shall be made to the principal debtor and copies of all applications or forms must be given to the debtor.
2. The creditor shall disclose the optional nature of the coverage, premium or charge separately by type of coverage, eligibility requirements, and policy limitations and exclusions. These disclosures shall be made prominently above the space for the signature indicating election to obtain such coverage. These disclosures may be made in conjunction with the federal truth-in-lending disclosure, a Notice of Proposed Insurance, or the insurance policy or certificate.

Credit Disability (Accident and Health) Insurance

Credit disability insurance pays a benefit if an insured debtor becomes disabled, as defined in the policy, during the term of coverage due to a covered accident or illness. Generally, the benefit is equal to the scheduled monthly payment on the loan or the minimum monthly payment required under a revolving credit agreement, subject to a stated maximum benefit amount. Single or joint coverage is available under many plans.

Most credit disability plans require that the insured be totally disabled for a specified **waiting period** before benefits are payable. Waiting periods of 7, 14 or 30 days are common. After the waiting period some plans pay benefits beginning with the first day of covered disability. This is known as **retroactive** coverage. Other plans pay beginning the day after the waiting period. Under these plans the waiting period is referred to as an **elimination period**. Benefits usually continue as long as the insured is totally disabled, until a certain number of benefits have been paid or until the term of insurance expires, depending upon the specific plan of coverage.

Few exclusions apply to credit disability coverage. However, many plans will not pay for disability caused by pregnancy, childbirth or self-inflicted injury. Others exclude disabilities that begin soon after the loan is taken out if the borrower was treated for the condition causing the disability within a short time before the date of the loan. This is called the **pre-existing conditions exclusion**. For open-end forms of credit, the pre-existing conditions exclusion often applies separately to each advance or charge on the account.

Pre-existing conditions exclusions are intended to prevent borrowers from taking out a loan and buying insurance only after they discover that they have a serious illness. This is known as **adverse selection** and is one of the key principles of insurance. This principle states that whenever a large group of potential insureds are treated alike, irrespective of some factors that differentiate them as insurance risks, a disproportionately high percentage of applications for such insurance tends to come from the less desirable applicants because they get the best bargain. Thus, if no pre-existing conditions clause existed, the probability that more applicants with health problems would apply would become greater and a disproportionate mix of healthy risks to unhealthy risks would exist, causing the insurer's rates to be raised or potentially damaging the financial stability of the company.

Credit Involuntary Unemployment Insurance

Credit involuntary unemployment insurance pays a benefit if an insured debtor loses his or her job due to layoff or termination. Many plans also cover job loss due to labor disputes or strikes. In recent years, some insurers have expanded coverage to include time away from work to care for a family member. The involuntary unemployment benefit is typically the regularly scheduled monthly payment on a closed-end loan or the minimum monthly payment required under a revolving credit agreement up to a stated maximum. Currently, many insurers only offer single-person coverage, although joint coverage is beginning to appear in the marketplace.

Most credit involuntary unemployment plans require that the insured be unemployed for a minimum number of days before benefits are payable. A 30-day waiting period is common. After the waiting period has been satisfied, some plans pay benefits beginning with the first day of covered unemployment. That is, the benefits are retroactive to the first day. Other plans pay beginning with the day after the waiting period. Under these plans, the waiting period is referred to as an **elimination period**. The maximum number of benefit payments depends upon the term of the loan or type of credit transaction. Often the insured must be eligible for state unemployment benefits as a condition of eligibility to receive benefits under a credit involuntary unemployment plan.

Some types of job loss are not covered by credit involuntary unemployment plans. For example, a voluntary separation, such as resignation or retirement is not covered. Loss of employment due to disability, accident, illness or pregnancy is also excluded. It is important to become familiar with the plan offered by the insurance company.

The insurance producer should make sure that the borrower clearly understands:

1. What loss of employment events must occur to receive benefits
2. How long an individual must be unemployed before benefits will begin
3. Whether benefits are paid back to the date the job was lost or after the end of the elimination period
4. How long benefits will be paid
5. How much the plan is obligated to pay – under minimum payment plans, such as credit card debt, it should be clear that only the minimum payment is made

Credit Property Insurance

Credit property insurance is intended to insure against loss to personal property used as collateral for loans. Some plans cover automobiles while others do not. Credit property insurance is not used to insure real estate.

Coverage is usually broad in scope, insuring against loss due to fire, lightning, windstorm, hail and a variety of other perils. Some plans even cover loss due to earthquake, flood or theft. It is important to review the policy or certificate and other information provided by the insurer to become familiar with the details of coverage.

The overall amount of coverage under credit property policies is generally limited to the lesser of the value of the property or the amount of the underlying loan. Losses for individual items of personal property are settled on either an actual cash value basis or a replacement cost basis, depending upon the specific policy. **Actual cash value** coverage takes into account depreciation in value that occurs with time and use of the item. **Replacement cost** coverage is based on the cost to obtain a new item of like kind and quality at the time of the loss.

Because coverage under most credit property policies is limited to personal property securing the loan and is also limited by the amount of the loan, credit property insurance is not a replacement for a homeowners, renters or personal automobile policy. Such policies can insure property not covered by credit property insurance and they typically include liability coverage which is not a part of a credit policy.

The insurance producer should make sure the insured understands:
1. What property is held as collateral and how much it is insured for
2. Whether the property is already covered under another policy such as an auto policy or homeowners contract
3. The insurance may be purchased from another insurance company if it is required
4. What events causing damage or loss to the property would be covered and to what extent coverage would be provided

Mortgage Life Insurance

This insurance is a form of credit life insurance that is tied directly to a real estate loan and pays off the balance of a mortgage in the event the insured dies.

Keep in mind that the proceeds are not paid to the spouse or estate of the insured; rather they are paid to the lender holding the mortgage. The beneficiary or heir receives a paid-off mortgage.

Mortgage Disability Insurance

Mortgage disability is a form of credit disability insurance. It is tied directly to the real estate loan and loan payments are made on behalf of the insured in the event disability should occur.

The producer should be certain that the insured understands:
1. Any preexisting conditions clauses in the contract
2. Whether the individual must be totally disabled and not able to perform the functions of their job or any job
3. What waiting periods must be met if any before the contract will pay
4. The duration of payments, or how long will the contract pay

TRAVEL INSURANCE

Travel Insurance

Travel insurance is designed to cover the costs and reduce the risk associated with unexpected events during domestic or international travel. It usually covers the insured in two main categories: costs associated with medical expenses and trip cancellations. Many online companies selling airplane tickets or travel packages allow consumers to purchase travel insurance as an added service.

Travel insurance covers risks with planned travel, including, but not limited to:
1. Interruption or cancellation of the trip or event
2. Loss of baggage or personal effects
3. Damages to accommodations or rental vehicles
4. Sickness, accident, disability or death occurring during travel

Travel insurance does not include major medical plans, which provide comprehensive medical protection for travelers on trips lasting six months or longer, such as those working overseas as an ex-patriot or military personnel being deployed.

Idaho requires EACH PRODUCER selling travel insurance to be licensed, not just the agency and a Designated Responsible Licensed Producer (DRLP.)

PET INSURANCE

Pet Insurance

Pet insurance is a policy purchased by a pet owner to lessen the overall costs if expensive medical bills are incurred by that pet. Pet insurance is similar to health insurance policies except that it relates specifically to pets and will cover, either fully or in part, fees that are incurred during veterinary procedures.

Many animal medical procedures, such as surgeries and sickness, are very expensive to treat. To help with these costs, a pet owner can buy a policy that will save out-of-pocket expenses by paying a yearly or monthly fee known as the premium. The cost and coverage varies based on which policy the insured purchases and for the type of animal being insured. For instance, it costs more for an outdoor cat than an indoor, and premiums are higher based on the percentage of coverage purchased.

OTHER LIMITED LICENSE TYPES NOT COVERED BY THIS MANUAL

Surety

While the surety line is considered a limited line, it **does require testing** if the producer does not carry the casualty line of authority. Please refer to the Licensing Section of www.doi.idaho.gov for licensing requirements for this line of authority.

Portable Electronics

Portable electronics is also a limited line. This line of authority is only available in Idaho for business entities and is offered as either a small portable electronics license or a large portable electronics license. Please refer to the Portable Electronics portion of the Licensing Section of www.doi.idaho.gov for licensing requirements for this line of authority.

FINGERPRINT PROCESS

Fingerprint Process

All resident limited lines producers must be fingerprinted for the FBI background check specific to insurance licensing. Fingerprints are processed through our vendor, PSI.

Click here for a list of PSI fingerprinting locations and times: www.psionline.com/PROGRAMS/idfp.pdf.

If you live more than 100 miles from the nearest PSI fingerprinting center, please contact the Licensing Section at 208-334-4339 for specific alternate instructions. **Note**: this will delay your license as manual prints take much longer to process.

Additionally, fingerprinting done for any other license or reason is not acceptable as results cannot be shared between agencies. If you were fingerprinted for an FBI check in the past, you must be fingerprinted again specifically for insurance licensing in Idaho. Fingerprint reports are valid for 180 days from the date the prints were taken.

APPLICATION PROCESS

Application Process

No testing is required for a Limited Lines License. The application fee for the license is $80.

The following is a checklist for application in Idaho:

1. Application: Apply online at Sircon.com or NIPR.com or complete a Uniform Application for licensure
2. Attachments:
    - Online application – fax to 208-334-4398 or email to agent@doi.idaho.gov
    - Paper application – attach to paper application and mail with fees to:
      Idaho Department of Insurance
      700 W State St 3rd Floor
      PO Box 83720
      Boise ID 83720-0043
3. Complete and return the Limited Lines Attestation page found in this manual
4. **RESIDENTS ONLY:** Complete the fingerprinting process. A link to current vendor information can be found on the front page of this manual. Please return the CHRI Request and Release forms you receive when you fingerprint along with the receipt provided by the vendor.
5. Attachments can be faxed to 208-334-4398 or emailed to agent@doi.idaho.gov if applying online; or attached to the paper application if applying by paper.

Paper applications should be mailed, with the appropriate fees, to:

Idaho Department of Insurance
700 W State Street, 3rd Floor
PO Box 83720
Boise ID 83720-0043

CONCLUSION

Other Important Information

You must study this booklet prior to applying for a limited lines license. If you need additional information, please access our website at www.doi.idaho.gov or contact the Licensing Section at 208-334-4339.

ATTESTATION OF COMPLETION

Attestation As an applicant for a resident limited lines producer license, I understand Idaho insurance law requires that I complete a course of study as established by the Director. I submit this attestation that I have read this pre-licensing manual entitled "**Limited Lines Producer Pre-Licensing Study Manual**" and understand the content.

I further attest that I have reviewed all pertinent contractual information that sets forth the terms of any and all limited lines insurance policies that I may offer to the public and that I understand both the content of the manual as well as the insurance contracts to the best of my ability.

Applicant Signature ________________________________ Date ______________

Printed Name ____

Insurance Company or Agency Sponsor ____

Licensed Producer Signature ________________________________ Date ______________

Printed Name ____

Please indicate which initial line(s) you are applying for by checking the box(es) below:

- ☐ Credit (+GAP)
- ☐ Travel
- ☐ PET

I have completed the following:

- ☐ Applied for my license
  - ☐ online
  - ☐ by paper
- ☐ Faxed or emailed my CHRI Request and Release forms (residents only)
- ☐ Faxed or emailed my fingerprint receipt (residents only)
- ☐ Faxed or emailed my necessary documents (if "yes" answer to any background question(s) on application)

Return this signed attestation by email to agent@doi.idaho.gov or by fax to 208-334-4398. If applying by paper, mail with the application and appropriate fees to:

Idaho Department of Insurance
700 W State Street, 3rd Floor
PO Box 83720
Boise ID 83720-0043