



MEMORANDUM

TO: Loretta Medved, Ohio Department of Insurance
FROM: Paula Steele, Common Sense Initiative
DATE: August 17, 2018
RE: CSI Review – Chapter 5 FYR – (OAC 3901-5-10, 3901-5-11, and 3901-5-13)

On behalf of Lt. Governor Mary Taylor, and pursuant to the authority granted to the Common Sense Initiative (CSI) Office under Ohio Revised Code (ORC) section 107.54, the CSI Office has reviewed the abovementioned administrative rule package and associated Business Impact Analysis (BIA). This memo represents the CSI Office's comments to the Agency as provided for in ORC 107.54.

Analysis

This rule package consists of three rules being proposed by the Ohio Department of Insurance for their statutorily-required five-year review. Chapter 3901-5 of the Ohio Administrative Code (OAC) outlines the regulation of insurance agents in the State of Ohio. OAC 3901-5-10 relates to requirements for the issuance of a limited authority rental car agent license and is proposed with no changes. OAC 3901-5-11 prohibits agents from falsely or misleadingly implying that they have special certification or training in providing service to seniors and is proposed with no changes. OAC 3901-5-13 is concerned with specific criteria for insurance navigators and requirements for agents who sell coverage on the exchange as established by ORC 3905.471. The proposed OAC 3901-5-13 rule is amended to update reference to revised applications for business entity navigators and individual navigators.

The Department's BIA describes outreach to a number of stakeholders on two separate occasions seeking input and comments on the proposed rules. No comments were provided as a result of the stakeholder outreach. In addition, no comments were submitted during the CSI review period suggesting that the adverse impacts created by the rule are unduly burdensome. The CSI Office has determined that the rules justify the adverse impact to businesses.

Recommendations

For the reasons discussed above, the CSI Office does not have any recommendations for this rule package.

Conclusion

Based on the above comments, the CSI Office concludes that the Department of Insurance should proceed with the formal filing of this rule package with the Joint Committee on Agency Rule Review.