



Ohio Revised Code Section 3905.55 Agent fees.

Effective: March 24, 2008

Legislation: House Bill 372 - 127th General Assembly

(A) Except as provided in division (B) of this section, an agent may charge a consumer a fee if all of the following conditions are met:

- (1) The fee is disclosed to the consumer in a manner that separately identifies the fee and the premium.
- (2) The fee is not calculated as a percentage of the premium.
- (3) The fee is not refunded, forgiven, waived, offset, or reduced by any commission earned or received for any policy or coverage sold.
- (4) The amount of the fee, and the consumer's obligation to pay the fee, are not conditioned upon the occurrence of a future event or condition, such as the purchase, cancellation, lapse, declination, or nonrenewal of insurance.
- (5) The agent discloses to the consumer that the fee is being charged by the agent and not by the insurance company, that neither state law nor the insurance company requires the agent to charge the fee, and that the fee is not refundable.
- (6) The consumer consents to the fee.
- (7) The agent, in charging the fee, does not discriminate on the basis of race, sex, national origin, religion, disability, health status, age, marital status, military status as defined in section 4112.01 of the Revised Code, or geographic location, and does not unfairly discriminate between persons of essentially the same class and of essentially the same hazard or expectation of life.

(B) A fee may not be charged for taking or submitting an initial application for coverage with any one insurer or different programs with the same insurer, or processing a change to an existing policy,



a cancellation, a claim, or a renewal, in connection with any of the following personal lines policies:

- (1) Private passenger automobile;
- (2) Homeowners, including coverage for tenants or condominium owners, owner-occupied fire or dwelling property coverage, personal umbrella liability, or any other personal lines-related coverage whether sold as a separate policy or as an endorsement to another personal lines policy;
- (3) Individual life insurance;
- (4) Individual sickness or accident insurance;
- (5) Disability income policies;
- (6) Credit insurance products.

(C) Notwithstanding any other provision of this section, an agent may charge a fee for agent services in connection with a policy issued on a no-commission basis, if the agent provides the consumer with prior disclosure of the fee and of the services to be provided.

(D) In the event of a dispute between an agent and a consumer regarding any disclosure required by this section, the agent has the burden of proving that the disclosure was made.

(E)(1) No person shall fail to comply with this section.

(2) Whoever violates division (E)(1) of this section is deemed to have engaged in an unfair and deceptive act or practice in the business of insurance under sections 3901.19 to 3901.26 of the Revised Code.

(F) This section does not apply with respect to any expense fee charged by a surety bail bond agent to cover the costs incurred by the surety bail bond agent in executing the bail bond.