

TRANSMITTAL SHEET FOR
NOTICE OF INTENDED ACTION

Control 482 Department or Agency Department of Insurance*

Rule No. Rule 482-1-110-.04

Rule Title: Renewal of Licenses.

New Amend Repeal Adopt by Reference

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety? N/A*

Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare? N/A*

Is there another, less restrictive method of regulation available that could adequately protect the public? N/A*

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved and, if so, to what degree? N/A*

Is the increase in costs, if any, more harmful to the public than the harm that might result from the absence of the proposed rule? N/A*

Are all facets of the rulemaking process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public? N/A*

Does the proposed rule have an economic impact? N/A*

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Sections 27-2-17 and 27-7-43, Code of Alabama 1975, and that it complies with all applicable filing requirements of the Alabama Insurance Code.*

Signature of certifying officer Jim L. Ridling
Jim L. Ridling
Commissioner of Insurance

Date: June 17, 2015

*Note: *The Alabama Department of Insurance is exempt from the Alabama Administrative Procedures Act pursuant to Section 41-22-2(e), Code of Alabama 1975.*

Alabama Department of Insurance

NOTICE OF INTENDED ACTION

AGENCY NAME: Alabama Department of Insurance

RULE NO. & TITLE: Rule 482-1-110-.04: Renewal of Licenses.

INTENDED ACTION: Amend rule.

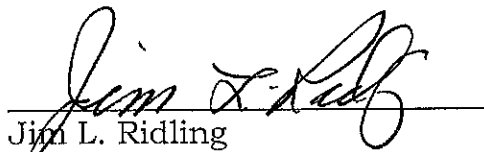
SUBSTANCE OF PROPOSED ACTION: The Commissioner of Insurance is proposing to make various changes to the rule which sets forth the procedures for the renewal of licenses of producers and service representatives. The changes adjust the renewal timing for business entity producers and adjusts the renewal fee consistent with recent changes to Section 27-4-2, Code of Alabama 1975.

TIME, PLACE, MANNER OF PRESENTING VIEWS: Interested persons may submit data, views, or arguments in writing at any time prior to August 5, 2015, to the Alabama Department of Insurance, Attention: Legal Division, Post Office Box 303351, Montgomery, Alabama 36130-3351, or orally by appearing at the public hearing, Suite 502, RSA Tower, 201 Monroe Street, Montgomery, Alabama, beginning at 10:00 AM, August 12, 2015.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:

August 5, 2015

CONTACT PERSON AT AGENCY: Reyn Norman
General Counsel



Jim L. Ridling
Commissioner of Insurance

1 **482-1-110-.04 Renewal of Licenses.**

2 (1) All producers and service representatives licensed in
3 the State of Alabama are required to complete an application
4 for license renewal with the Department, which shall include
5 the payment of the applicable fees, as set forth below:

6 (a) For individual producers and service
7 representatives, the biennial license renewal fee as
8 required by Ala. Code § 27-8A-9(a)(1) ~~\$40.00~~ \$70.00

9 (b) For business entity producers, the biennial
10 renewal license fee as required by Ala. Code § 27-4-
11 2(a)(5)b.2. \$100.00

12 (2)(a)1. All individual producers and service
13 representatives shall renew their license biennially based on
14 their month and year of birth as indicated in subparagraphs 2
15 and 3, except an initial individual license shall not expire
16 within the first seventy-five (75) days of its effective date
17 but will continue until the next biennial expiration date.

18 2. Licensees Born in Odd-numbered Years. ~~Beginning in~~
19 ~~the year 2007, the~~ The license of an insurance representative
20 born in an odd-numbered year will expire if not renewed at the
21 end of the licensee's birth month in ~~2007 and every other~~ odd-
22 numbered year thereafter.

1 3. Licensees Born in Even-numbered Years. ~~Beginning in~~
2 ~~the year 2008, the~~ The license of an insurance representative
3 born in an even-numbered year will expire if not renewed at
4 the end of the licensee's birth month in ~~2008 and every other~~
5 even-numbered year thereafter.

6 (b) Notice is hereby given that beginning approximately
7 seventy-five (75) days prior to license expiration, individual
8 licensees can access the Department's Web site for the purpose
9 of completing their application for license renewal. ~~An~~
10 ~~initial individual license shall not expire within the first~~
11 ~~seventy five (75) days of its effective date.~~

12 (c) All individual licensees shall complete an
13 application for license renewal on the Department's Web site
14 by the license expiration date, to include payment of the
15 applicable fee as set forth in Paragraph (1). Any ~~renewal~~
16 license not completed renewed by the license expiration date
17 may still be renewed during the first 30 days following
18 expiration, with reinstatement retroactive to the expiration
19 date, but will be subject to a \$50 late fee.

20 (3)(a) Expiration of Business Entity Producer Licenses ~~in~~
21 ~~2008 and Thereafter. Beginning in 2008, all~~ All business
22 entity producer licenses shall expire if not renewed on

1 December 31 of ~~2008~~ and every ~~other~~ even-numbered year
2 thereafter, except an initial business entity license issued
3 on or after October 15 of an even-numbered year shall not
4 expire until December 31 of the next even-numbered year.

5 (b) Notice is hereby given that beginning on ~~October 1~~
6 October 15 next preceding license expiration, business entity
7 producers can access the Department's Web site for the purpose
8 of completing their application for license renewal.

9 (c) All business entity producers shall complete an
10 application for license renewal on the Department's Web site
11 by the 15th of November prior to license expiration, to
12 include payment of the applicable fee as set forth in
13 Paragraph (1). ~~Between November 15 and December 31, business~~
14 ~~entity producers will be able to access the Department's Web~~
15 ~~site to complete the application for license renewal~~ Any
16 license not renewed by the license expiration date may still
17 be renewed during the first 30 days following expiration, with
18 reinstatement retroactive to the expiration date, but will be
19 subject to a \$50 late fee.

20 **Author:** Commissioner of Insurance

21 **Statutory Authority:** Ala. Code §§ 27-2-17, 27-2-17.1, 27-7-43
22 & 27-8A-1, et seq. (1975)

23 **History:** New September 15, 1994, Effective October 1, 1994;
24 Revised September 23, 1996, Effective October 3, 1996; Revised
25 December 16, 1998, Effective January 1, 1999; Revised August

1 19, 2002, Effective August 29, 2002; Revised November 29,
2 2006, Effective December 9, 2006; Revised December 11, 2007,
3 Effective December 21, 2007; Revised October 18, 2012,
4 Effective October 28, 2012; Revised _____, 2015, Effective
5 January 1, 2016.