

TRANSMITTAL SHEET FOR
NOTICE OF INTENDED ACTION

Control 482 Department or Agency Department of Insurance*

Rule No. Rule 482-1-151-.07

Rule Title: Independent Adjuster License.

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*

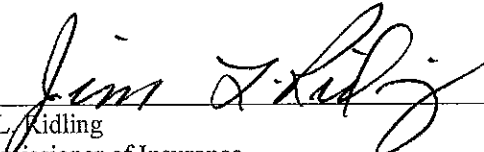
Are all facets of the rulemaking process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public? N/A*

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. Kidling
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 482-1-151-.07: Independent Adjuster License.

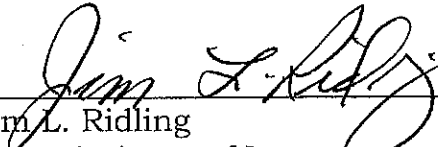
INTENDED ACTION: Amend rule.

SUBSTANCE OF PROPOSED ACTION: The Commissioner of Insurance is proposing to amend the rule which sets forth the procedural requirements applicable to the licensing of independent adjusters. The changes adjust the application for license 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 **482-1-151-.07 Independent adjuster License.**

2 (1) Business Entity Independent Adjuster. A business
3 entity may be issued an independent adjuster license in
4 accordance with the following:

5 (a) To be licensed as an independent adjuster, a business
6 entity must be a corporation, a limited liability company, a
7 partnership, a limited partnership, a limited liability
8 partnership, or another legally recognized form of entity
9 distinct from an individual or the individuals or other
10 entities that may own or hold interests in, or be members of,
11 the entity as determined by the laws of the entity's state of
12 domicile. A sole proprietorship can only be licensed as an
13 individual independent adjuster. One or more individuals
14 doing business under a trade name cannot obtain a business
15 entity independent adjuster license absent formal organization
16 as an entity.

17 (b) A business entity shall complete the Department's on-
18 line licensing process to become licensed as an independent
19 adjuster for a particular line or lines of insurance.

20 (c) Issuance of an Alabama business entity producer
21 license to a foreign-domiciled business entity does not in
22 itself satisfy any applicable Alabama constitutional and

1 statutory requirements that may require the entity to qualify
2 through or register with the Alabama Secretary of State in
3 order to lawfully do business in Alabama.

4 (d) The business entity license applicant must identify
5 at least one licensed individual independent adjuster
6 designated as responsible for the business entity's compliance
7 with all applicable laws, rules and regulations for each line
8 of authority. The licensed individual independent adjuster(s)
9 so designated must have such a degree of affiliation with the
10 entity in terms of an ownership interest in the entity, a role
11 as an officer or director, by contract or employment
12 relationship, or otherwise as reasonably assures that the
13 licensed individual independent adjuster can cause or
14 influence the entity's compliance with all applicable laws,
15 rules, and regulations.

16 (2) Individual Independent Adjuster. An individual,
17 whether an Alabama resident or a nonresident, shall complete
18 the Department's on-line licensing process to become licensed
19 as an independent adjuster for a particular line or lines of
20 authority.

21 (3) Unless exempt, an individual applicant must comply
22 with the prelicensing education and examination requirements

1 prior to making application for license as an independent
2 adjuster.

3 (4) An individual or business entity may apply for an
4 independent adjuster license for any or all of the lines of
5 authority for which qualified at one time; however, subsequent
6 applications for additional lines of authority are treated the
7 same as initial applications. All license and application
8 fees apply for each application submitted or transmitted.

9 (5) Instructions for the on-line licensing process, as it
10 may change from time to time, will be provided on the
11 Department's Web page.

12 (6) The initial fees for an independent adjuster license
13 are set by statute as follows:

14 (a) Application fee, set in Section 27-4-
15 2(a)(11)a. ~~\$20.00~~ \$30.00

16 (b) For individual licensees, the license fee
17 set in Section 27-4-2(a)(11)b.1. \$80.00

18 (c) For business entity licensees, the license
19 fee set in Section 27-4-2(a)(11)b.2. \$200.00

20 (7) Subsequent changes in the name or address of an
21 independent adjuster must be reported within 30 days thereof.

1 While there is no filing fee for reporting such changes, there
2 is a penalty of \$50 for the failure to report the changes
3 within 30 days. Instructions for the name and address change
4 process, as it may change from time to time, will be provided
5 on the Department's Web page.

6 (8)(a) Individual and business entity independent
7 adjusters are subject to the license renewal process set forth
8 in Rule 482-1-151-.10.

9 (b) If an independent adjuster license is not renewed in
10 accordance with Rule 482-1-151-.10 the license expires.

11 (c) Within twelve months of expiration, the former
12 licensee can reapply for an independent adjuster license
13 without having to retake the prelicensing course or
14 examination by following the instructions for the on-line
15 license reinstatement process, as it may change from time to
16 time, as directed on the Department's Web page.

17 (d) When former licensees have been without a license for
18 over twelve months, they must comply with any applicable
19 prelicensing course and examination requirements before again
20 applying for an independent adjuster license.

21 (9) When an independent adjuster's license is suspended
22 or revoked, the former licensee should contact the Legal

1 Division of the Department to receive instructions should the
2 former licensee desire to again become licensed.

3 **Author:** Commissioner of Insurance

4 **Statutory Authority:** Ala. Code §§ 27-2-17 (1975) & 27-9A-18
5 (2011)

6 **History:** New October 18, 2012, effective October 28, 2012;
7 Revised _____, 2015, Effective _____, 2015.