

TRANSMITTAL SHEET FOR
NOTICE OF INTENDED ACTION

Control 482 Department or Agency Department of Insurance*

Rule No. Chapter 482-2-107

Rule Title: Cigarette Certification Fee

New Amend Repeal Adopt by Reference

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety? No

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

Is there another, less restrictive method of regulation available that could adequately protect the public? No

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? Yes, 10%

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? No

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? Yes

Does the proposed rule have an economic impact? Yes

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 Chapter 22, Title 41, Code of Alabama 1975, and that it complies with all applicable filing requirements of the Administrative Procedure Division of the Legislative Reference Service.

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

Date: October 20, 2015

Alabama Department of Insurance

NOTICE OF INTENDED ACTION

AGENCY NAME: Alabama Department of Insurance

RULE NO. & TITLE: Chapter 482-2-107: Cigarette Certification Fee.

INTENDED ACTION: Adopt new chapter.


SUBSTANCE OF PROPOSED ACTION: The State Fire Marshal is proposing to adopt a new regulation to set the fees necessary for the administration and enforcement of Article 10 of Chapter 17 of Title 8, Code of Alabama 1975, known as the Reduced Cigarette Ignition Propensity Standards and Firefighter Protection Act. The fees were initially set in 2009 in Section 8-17-273, Code of Alabama 1975. The revisions adjust the fees according to changes in the Consumer Price Index over the last six years as permitted by Alabama Act No. 2015-441. The proposed effective date of the new regulation is January 1, 2016.

TIME, PLACE, MANNER OF PRESENTING VIEWS: Interested persons may submit data, views, or arguments in writing at any time prior to December 1, 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 2:00 PM, December 8, 2015.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:

December 4, 2015

CONTACT PERSON AT AGENCY: Reyn Norman
General Counsel



Jim L. Ridling
Commissioner of Insurance

**ECONOMIC IMPACT STATEMENT
FOR APA RULE
(Section 41-22-23(f))**

Control 482 Department or Agency Department of Insurance

Rule No. Rule 482-2-107

Rule Title: Cigarette Certification Fee.

New Amend Repeal Adopt by Reference

This rule has no economic impact.

This rule has an economic impact, as explained below:

1. NEED/EXPECTED BENEFIT OF RULE:

Permit fees are intended to defray the expense of issuing the permits. Proposed changes are expected to more closely approximate the actual expense to the agency of issuing the permits.

2. COSTS/BENEFITS OF RULE AND WHY RULE IS THE MOST EFFECTIVE, EFFICIENT, AND FEASIBLE MEANS FOR ALLOCATING RESOURCES AND ACHIEVING THE STATED PURPOSE:

Permit fees are intended to defray the expense of issuing the permits. Proposed changes are expected to more closely approximate the actual expense to the agency of issuing the permits.

3. EFFECT OF THIS RULE ON COMPETITION:

Applicable to all permit holders, thus should have no effect on competition.

4. EFFECT OF THIS RULE ON COST-OF-LIVING AND DOING BUSINESS IN THE GEOGRAPHICAL AREA WHERE THE RULE IS TO BE IMPLEMENTED:

Fees are increasing according to changes in the Consumer Price Index, limited to 2% per year for 6 years (a total of 10%), as authorized in Act 2015-441.

5. EFFECT OF THIS RULE ON EMPLOYMENT IN THE GEOGRAPHICAL AREA WHERE THE RULE IS TO BE IMPLEMENTED:

Should have no effect.

6. SOURCE OF REVENUE TO BE USED FOR IMPLEMENTING AND ENFORCING THIS RULE:

Cigarette manufacturers submitting written certifications regarding performance standards required by law.

7. THE SHORT-TERM/LONG-TERM ECONOMIC IMPACT OF THIS RULE ON AFFECTED PERSONS, INCLUDING ANALYSIS OF PERSONS WHO WILL BEAR THE COSTS AND THOSE WHO WILL BENEFIT FROM THIS RULE:

Increases certification fees by 10%, increasing from \$1,000 to \$1,100.

8. UNCERTAINTIES ASSOCIATED WITH THE ESTIMATED BENEFITS AND BURDENS OF THE RULE, INCLUDING QUALITATIVE/QUANTITATIVE BENEFITS AND BURDEN COMPARISON:

None known.

9. THE EFFECT OF THIS RULE ON THE ENVIRONMENT AND PUBLIC HEALTH:

None.

10. DETRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH IF THE RULE IS NOT IMPLEMENTED:

None.

****Additional pages may be used if needed.**

ALABAMA DEPARTMENT OF INSURANCE
STATE FIRE MARSHAL REGULATION

CHAPTER 482-2-107

CIGARETTE CERTIFICATION FEE

TABLE OF CONTENTS

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15

Page

482-2-107-.01	Cigarette Certification Fee.	2
---------------	-----------------------------------	---

1 **482-2-107-.01. Cigarette Certification Fee.** The State Fire
2 Marshal hereby sets the following fee as is declared necessary
3 for the administration and enforcement of Article 10 of
4 Chapter 17 of Title 8, Code of Alabama 1975, known as the
5 Reduced Cigarette Ignition Propensity Standards and
6 Firefighter Protection Act, adjusted according to Alabama Act
7 No. 2015-441:

8 (a) Certification fee. \$1,100.00

9 **Author:** State Fire Marshal
10 **Statutory Authority:** Code of Alabama 1975, §§ 27-2-17, 8-17-
11 273, & 8-17-276, & Ala. Act No. 2015-441
12 **History:** New _____, Effective January 1, 2016