

TRANSMITTAL SHEET FOR  
NOTICE OF INTENDED ACTION

Control 482 Department or Agency Department of Insurance\*

Rule No. Rule 482-1-110-.05

Rule Title: Education Requirements.

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: September 20, 2016

\*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-.05: Education Requirements.

**INTENDED ACTION:** Amend rule.

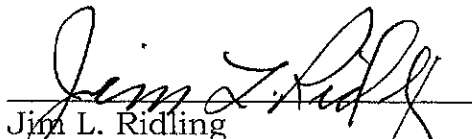
**SUBSTANCE OF PROPOSED ACTION:** The Commissioner of Insurance is proposing to amend the rule which sets forth the continuing education requirements for producers and service representatives. The amendment corrects the term "per year" in paragraph (5), which should have been removed at the time of transition from annual to biennial licenses. The amendment will become effective November 20, 2016.

**TIME, PLACE, MANNER OF PRESENTING VIEWS:** Interested persons may submit data, views, or arguments in writing at any time prior to November 7, 2016, 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 10:30 AM, on November 10, 2016.

**FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:**

November 7, 2016

**CONTACT PERSON AT AGENCY:** Reyn Norman  
General Counsel

  
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Jim L. Ridling  
Commissioner of Insurance

1 **482-1-110-.05 Educational Requirements.**

2 (1)(a) Licensees Born in Odd-numbered Years, Renewal in  
3 2009 and thereafter. Along with the renewal of license due to  
4 be completed in accordance with Paragraph (2) of Rule 482-1-  
5 110-.04 in the year 2009 and in every other year thereafter,  
6 every insurance representative born in an odd-numbered year  
7 and licensed in this state as a producer or service  
8 representative for the lines of insurance listed in Paragraph  
9 (2) of Rule 482-1-110-.03, and not exempt under Paragraph (3)  
10 of Rule 482-1-110-.03, shall satisfactorily complete such  
11 courses or programs of instruction as may be approved in  
12 accordance with this chapter in the minimum number of 24  
13 classroom hours, 3 hours of which shall be on the topic of  
14 insurance producer ethics.

15 (b) Licensees Born in Even-numbered Years, Renewal in  
16 2010 and thereafter. Along with the renewal of license due to  
17 be completed in accordance with Paragraph (2) of Rule 482-1-  
18 110-.04 in the year 2010 and in every other year thereafter,  
19 every insurance representative born in an even-numbered year  
20 and licensed in this state as a producer or service  
21 representative for the lines of insurance listed in Paragraph  
22 (2) of Rule 482-1-110-.03, and not exempt under Paragraph (3)

1 of Rule 482-1-110-.03, shall satisfactorily complete such  
2 courses or programs of instruction as may be approved in  
3 accordance with this chapter in the minimum number of 24  
4 classroom hours, 3 hours of which shall be on the topic of  
5 insurance producer ethics.

6 (2) A person teaching any approved course of instruction  
7 or lecturing at any approved seminar or program shall qualify  
8 for the same number of classroom hours as would be granted to  
9 a person taking and successfully completing such course,  
10 seminar or program.

11 (3) No producer or service representative may receive  
12 credit for any approved course more than once in any reporting  
13 period.

14 (4) Producers and service representatives who have been  
15 licensed for less than twelve months at the time of their  
16 first renewal are not required to complete the educational  
17 requirements of this rule.

18 (5) In lieu of the number of classroom hours required in  
19 Paragraph (1), any producer or service representative employed  
20 by another producer or by an insurer to work only in the  
21 office of the employer and who is not licensed as a  
22 nonresident in any other state shall satisfactorily complete a

1 minimum of 12 classroom hours of approved courses ~~per year~~, of  
2 which two hours shall be on the topic of insurance producer  
3 ethics.

4 (6) For the purposes of this chapter, "classroom hour"  
5 shall mean a unit of at least fifty (50) minutes of  
6 participation in an approved course. This unit of measure  
7 shall apply to any classroom course, correspondence course,  
8 internet course, or other program and/or seminar of  
9 instruction approved by the Commissioner. Not more than ten  
10 (10) minutes of any sixty (60) minute period may be used for  
11 breaks, roll-taking, or administrative instructions. The  
12 total classroom hours, sometimes also referred to as "credit  
13 hours," for an approved course will be assigned by the  
14 Department in the course approval process.

15 **Author:** Commissioner of Insurance

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

18 **History:** New September 15, 1994, Effective October 1, 1994;  
19 Revised September 23, 1996, Effective October 3, 1996; Revised  
20 August 19, 2002, Effective August 29, 2002; Revised November  
21 29, 2006, Effective December 9, 2006; Revised October 18,  
22 2012, Effective October 28, 2012; Revised \_\_\_\_\_, 2016,  
23 Effective \_\_\_\_\_, 2016