

**TRANSMITTAL SHEET FOR
NOTICE OF INTENDED ACTION**

Control 482 Department or Agency Department of Insurance

Rule No. Rule 482-1-148-.01

Rule Title: Purpose, Scope, and Authority.

 New X 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? No

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? Yes

Does the proposed rule have an economic impact? No

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
Commissioner of Insurance

Date: September 20, 2016

Alabama Department of Insurance

NOTICE OF INTENDED ACTION

AGENCY NAME: Alabama Department of Insurance

RULE NO. & TITLE: Rule 482-1-148-.01: Purpose, Scope, and Authority.

INTENDED ACTION: Amend rule.

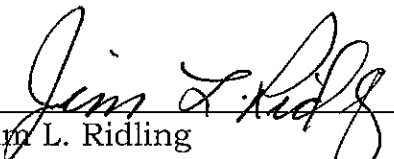
SUBSTANCE OF PROPOSED ACTION: The Commissioner of Insurance is proposing to amend the rule setting the scope of the regulation of title insurance agents. The amendment sets forth the manner in which the new attorney exemption will be handled. The amendment will become effective November 20, 2016.

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



Jim L. Ridling
Commissioner of Insurance

1 **482-1-148-.01 Purpose, Scope, and Authority.**

2 (1) The purposes of this chapter are as follows:

3 (a) To set forth rules and procedural requirements the
4 Commissioner deems necessary to carry out the provisions of
5 Chapter 25 of Ala. Code Tit. 27, relating to the licensing of
6 title insurance agents; the issuance of title insurance agent
7 appointments; the authorization of prelicensing course
8 providers and approval of prelicensing courses; and the
9 various types of disciplinary action concerning licenses and
10 grants of authority.

11 (b) To set forth the procedures for the renewal of
12 licenses of title insurance agents, as is required by Ala.
13 Code § 27-25-4.2 (2012).

14 (c) To implement the continuing education requirements
15 for title insurance agents set forth in Ala. Code § 27-25-4.4
16 (2012).

17 (2) (a) This chapter shall apply to individuals and
18 business entities applying for and renewing a title insurance
19 agent license, to persons authorized to provide prelicensing
20 and continuing education courses for title insurance agents,

1 and to all title insurance companies appointing title
2 insurance agents.

3 (b) Pursuant to Ala. Code § 27-25-3, attorneys licensed
4 by the Alabama State Bar are exempt from the licensing
5 requirements of this chapter. If a licensed attorney chooses
6 to do business through an entity law firm, that entity law
7 firm shall be likewise exempt from the licensing requirements
8 of this chapter. Should a licensed attorney choose to do
9 title insurance business through an entity separate and apart
10 from a law firm, that entity will be subject to the title
11 agent licensing requirements of this chapter and at least one
12 individual must be licensed as an individual title insurance
13 agent, even if that person is a licensed attorney who would
14 otherwise be exempt from licensing. Likewise, should an
15 individual who is not a licensed attorney seek to do business
16 as a title insurance agent through an entity law firm, then
17 the entity law firm would be subject to the licensing
18 requirements of this chapter.

19 (3) This chapter is adopted pursuant to Ala. Code §§ 27-
20 25-3, 27-25-4, and 27-25-8 (1975).

21 **Author:** Commissioner of Insurance
22 **Statutory Authority:** Ala. Code §§ 27-25-4, et seq. (2012),
23 27-25-8 (2001) & 27-25-3 (2016)

- 1 **History:** New October 18, 2012, effective January 1, 2013;
- 2 Revised _____, 2016, Effective _____, 2016