

TRANSMITTAL SHEET FOR  
NOTICE OF INTENDED ACTION

Control 482 Department or Agency Department of Insurance\*

Rule No. 482-3-003-.14

Rule Title: Preneed Sales Agents.

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 action relate to or affect in any manner any litigation which the agency is a party to concerning the subject matter of the proposed rule? N/A\*

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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.

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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: February 20, 2019

\*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 482-3-003-.14: Preneed Sales Agents.

**INTENDED ACTION:** Amend existing rule.

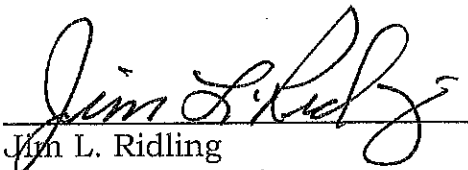
**SUBSTANCE OF PROPOSED ACTION:** The Commissioner of Insurance proposes to amend an existing rule relating to the requirements for a preneed sales agent. The amendments remove the amount of the preneed sales agent registration fee and adds a reference to Rule 482-3-002-.02 where the fee is established. The amendments will become effective April 21, 2019.

**TIME, PLACE, MANNER OF PRESENTING VIEWS:** Interested persons may submit data, views, or arguments in writing at any time prior to April 6, 2019, 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, on April 11, 2019.

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

April 6, 2019

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

  
Jim L. Ridling  
Commissioner of Insurance

1 **482-3-003-.14 Preneed Sales Agents.**

2 (1) Each employee or agent selling preneed contracts or  
3 who execute contracts on behalf of a certificate holder must  
4 be registered by that certificate holder as a preneed sales  
5 agent (PSA). To sell preneed contracts, every certificate  
6 holder must have at least one PSA registered. The fee for  
7 issuing or renewing a certificate of authority does not  
8 include payment for any PSA registrations.

9 (2) Application for registration shall be made on the  
10 form published on the Department's website. Each PSA  
11 registration requires payment of a \$25 registration fee, which  
12 is to be paid with the initial registration and annually  
13 thereafter. Each PSA registration must be renewed annually.  
14 The fees for PSA initial registration and annual renewal are  
15 set forth in Rule 482-3-002-.02.

16 (3) A PSA registration is not active if the registrant is  
17 not affiliated with any certificate holder.

18 (4) An individual may be registered as a preneed sales  
19 agent on behalf of more than one certificate holder if the  
20 individual has received written consent of all certificate  
21 holders. The consent must be filed with the application for  
22 PSA registration.

1           (5) The certificate holder shall notify the Department  
2 within 30 days after a registered PSA's affiliation with a  
3 certificate holder has terminated.

4 **Author:** Commissioner of Insurance

5 **Statutory Authority:** Ala. Code §§ 27-2-17, 27-17A-1 to -57  
6 (2014)

7 **History:** New November 13, 2014, Effective January 1, 2015;  
8 Revised April 11, 2019, Effective April 21, 2019