

**TRANSMITTAL SHEET FOR  
NOTICE OF INTENDED ACTION**

Control 482 Department or Agency Department of Insurance\*

Rule No. 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\*

\*\*\*\*\*

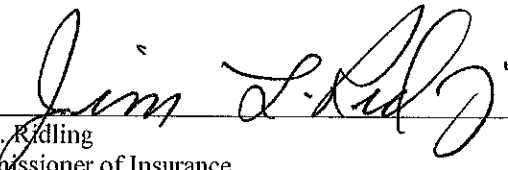
Does the proposed rule have an economic impact? N/A\*

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.

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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. Riddling  
Commissioner of Insurance

Date: September 20, 2017

\*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.

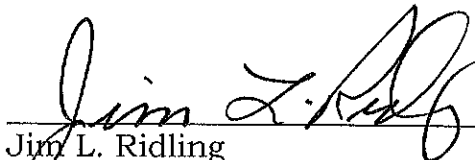
**SUBSTANCE OF PROPOSED ACTION:** The Commissioner of Insurance is proposing to amend the rule which sets the requirements for the Independent Adjuster license. The amendment merely corrects a typographical error, changing a reference to "producer" to "independent adjuster." The amendment will become effective November 25, 2017.

**TIME, PLACE, MANNER OF PRESENTING VIEWS:** Interested persons may submit data, views, or arguments in writing at any time prior to November 8, 2017, 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 PM, on November 15, 2017.

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

November 8, 2017

**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 entity  
3 may be issued an independent adjuster license in accordance with the  
4 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 partnership,  
8 or another legally recognized form of entity distinct from an  
9 individual or the individuals or other entities that may own or hold  
10 interests in, or be members of, the entity as determined by the laws  
11 of the entity's state of domicile. A sole proprietorship can only  
12 be licensed as an individual independent adjuster. One or more  
13 individuals doing business under a trade name cannot obtain a  
14 business entity independent adjuster license absent formal  
15 organization as an entity.

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

19 (c) Issuance of an Alabama business entity ~~producer~~ independent  
20 adjuster license to a foreign-domiciled business entity does not in  
21 itself satisfy any applicable Alabama constitutional and statutory  
22 requirements that may require the entity to qualify through or  
23 register with the Alabama Secretary of State in order to lawfully do  
24 business in Alabama.

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

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

16           (3) Unless exempt, an individual applicant must comply with the  
17 prelicensing education and examination requirements prior to making  
18 application for license as an independent adjuster.

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

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

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

6 (a) Application fee, set in Section 27-4-2(a)(11)a. \$30.00

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

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

11 (7) Subsequent changes in the name or address of an independent  
12 adjuster must be reported within 30 days thereof. While there is no  
13 filing fee for reporting such changes, there is a penalty of \$50 for  
14 the failure to report the changes within 30 days. Instructions for  
15 the name and address change process, as it may change from time to  
16 time, will be provided on the Department's Web page.

17 (8)(a) Individual and business entity independent adjusters are  
18 subject to the license renewal process set forth in Rule 482-1-151-  
19 .10.

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

22 (c) Within twelve months of expiration, the former licensee can  
23 reapply for an independent adjuster license without having to retake

1 the prelicensing course or examination by following the instructions  
2 for the on-line license reinstatement process, as it may change from  
3 time to time, as directed on the Department's Web page.

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

8 (9) When an independent adjuster's license is suspended or  
9 revoked, the former licensee should contact the Legal Division of  
10 the Department to receive instructions should the former licensee  
11 desire to again become licensed.

12 **Author:** Commissioner of Insurance

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

14 **History:** New October 18, 2012, effective October 28, 2012; Revised  
15 August 12, 2015, Effective January 1, 2016; Revised November 15,  
16 2017, Effective November 25, 2017