

**TRANSMITTAL SHEET FOR
NOTICE OF INTENDED ACTION**

Control 482 Department or Agency Department of Insurance*

Rule No. 482-1-110-.03

Rule Title: Scope.

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*

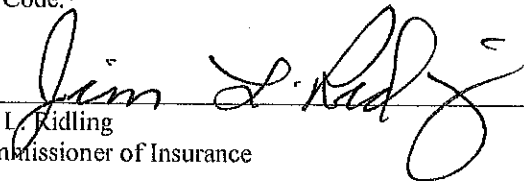
Does the proposed action relate to or affect in any manner any litigation which the agency is a party to concerning the subject matter of the proposed rule? N/A*

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. Kidling
Commissioner of Insurance

Date: September 20, 2018

*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-.03: Scope.

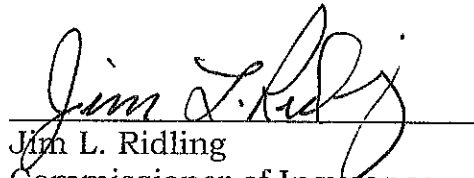
INTENDED ACTION: Amend rule.

SUBSTANCE OF PROPOSED ACTION: The Commissioner of Insurance is proposing to amend the regulation which sets forth the scope of the regulation for renewal of licenses for producers and service representatives. The amendment adds self-service storage facility insurance to the list of lines of insurance that are exempt from the educational requirements of the chapter. The amendment will become effective November 17, 2018.

TIME, PLACE, MANNER OF PRESENTING VIEWS: Interested persons may submit data, views, or arguments in writing at any time prior to November 6, 2018, 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 November 7, 2018.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:
November 6, 2018

CONTACT PERSON AT AGENCY: Reyn Norman
General Counsel



Jim L. Ridling
Commissioner of Insurance

1 482-1-110-.03 Scope.

2 (1) As to the renewal of licenses, this chapter shall apply to every
3 person licensed in this state as a producer or service representative for
4 any line of authority.

5 (2) In order to qualify for the renewal of their licenses, producers
6 and service representatives licensed for the following lines of authority
7 must comply with the educational requirements set forth in Rule 482-1-110-
8 .05:

9 (a) The life lines of authority, as defined in Ala. Code § 27-7-1.

10 (b) The property lines of authority, as defined in Ala. Code § 27-7-
11 1.

12 (c) Bail Bonds.

13 (d) Any combination thereof.

14 (3) Notwithstanding the provisions of Paragraph (2), the educational
15 requirements set forth in Rule 482-1-110-.05 shall not apply to:

16 (a) Any person exempt from licensing pursuant to Subsection (b) of
17 Ala. Code §. 27-3-27 (1975).

18 (b) Any producer whose license is limited to acting only as a
19 producer for credit insurance, rental vehicle insurance, crop, portable
20 electronic, travel, motor club, dental services, ~~and~~ legal services, and
21 self-service storage facility insurance, or any combination thereof.

22 (c) Any nonresident producer or service representative who must
23 complete the continuing education requirements in his or her state of

1 residence. The home state's requirements may be used to meet this state's
2 continuing education requirements if that state recognizes reciprocity with
3 Alabama's continuing education requirements. A non-resident whose home
4 state does not have a continuing education requirement or whose home state
5 does not recognize reciprocity with Alabama's continuing education
6 requirements, must meet the continuing education requirements of this
7 state.

8 (d) Newly licensed producers and service representatives for 12
9 months following the effective date of their license.

10 (e) Any individual exempt from the educational requirements of Ala.
11 Code § 27-8A-1 immediately prior to January 1, 2013, so long as the
12 individual remains exempt according to the law at that time, unless the
13 license is permitted to expire or is otherwise terminated and remains out
14 of effect for a period of 12 consecutive months, in which case the
15 exemption is no longer applicable. To maintain an exemption from
16 continuing education requirements, the individual must submit a statement
17 and dated evidence that the exemption claimed applied prior to January 1,
18 2013, and continues in effect at the time of license renewal. Any change
19 in the claimed exemption, such as loss of certification or position shall
20 result in loss of the claimed exemption for subsequent renewal periods.
21 Individuals may claim an exemption if any of the following apply subject to
22 the terms outlined above:

23 1. Any person licensed only for limited lines insurance, industrial
24 fire, commonly known as debit fire, insurance, or any combination thereof
25 prior to January 1, 2013.

1 2. All producers and service representatives licensed in this state
2 for 15 years and at least 60 years of age or older prior to January 1,
3 2013.

4 3. Any person who holds a designation as a Chartered Property and
5 Casualty Underwriter, Certified Insurance Counselor, Chartered Life
6 Underwriter, Chartered Financial Consultant, Certified Financial Planner
7 certificant, Registered Health Underwriter, Registered Employee Benefits
8 Consultant, Certified Health Consultant, or Associate Risk Manager prior to
9 January 1, 2013.

10 4. Officers of insurers who are not engaged in the active sale of
11 products prior to January 1, 2013.

12 5. Persons who are active members of the Alabama legislature during
13 any portion of the biennial reporting period prior to January 1, 2013.

14 **Author:** Commissioner of Insurance

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

17 **History:** New September 15, 1994, Effective October 1, 1994; Revised
18 September 23, 1996, Effective October 3, 1996; Revised December 16, 1998,
19 Effective January 1, 1999; Revised August 19, 2002, Effective August 29,
20 2002; Revised November 29, 2006, Effective December 9, 2006; Revised
21 October 18, 2012, Effective October 28, 2012; Revised July 21, 2016,
22 Effective July 31, 2016; Revised November 7, 2018, Effective November 17,
23 2018