

1 HB92  
2 164037-2  
3 By Representatives Hill (M) and Clouse  
4 RFD: Insurance  
5 First Read: 03-MAR-15

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ENROLLED, An Act,

Relating to the State Insurance Department and insurance regulation by the department; to amend Section 27-4-2, as amended by Act 2014-346 of the 2014 Regular Session, and Section 27-8A-9 of the Code of Alabama 1975, to provide for an increase in certain fees, licenses, and miscellaneous charges collected by the Commissioner of Insurance; and, for the fiscal year ending September 30, 2016, to make an appropriation from the Insurance Department Fund, to authorize the transfer of a portion of the appropriation to the Strengthen Alabama Homes Fund, and to make an appropriation from the Strengthen Alabama Homes Fund.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Section 27-4-2, as amended by Act 2014-346 of the 2014 Regular Session, and Section 27-8A-9 of the Code of Alabama 1975, are amended to read as follows:

"§27-4-2.

"(a) The Commissioner of Insurance shall collect in advance fees, licenses, and miscellaneous charges as follows:

"(1) Certificate of authority:

"a. Initial application for original certificate of authority, including the filing with the commissioner of all documents incidental thereto ..... \$500

1                    "b. Issuance of original certificate of authority  
2                    ..... 500

3                    "c. Annual continuation or renewal fee ..... 500

4                    "d. Reinstatement fee ..... 500

5                    "(2) Charter documents, filing with the commissioner  
6 amendment to articles of incorporation or of association, or  
7 of other charter documents or to bylaws ..... 25

8                    "(3) Solicitation permit, filing application and  
9 issuance ..... 250

10                    "(4) Annual statement of insurer, except when filed  
11 as part of application for original certificate of authority,  
12 filing ..... 25

13                    "(5) Producer ~~licenses~~ license (resident or  
14 nonresident):

15                    "a. Individuals:

16                    "1. Application fee (For filing of initial  
17 application for license) ..... ~~20~~ 30

18                    "2. License fee (For issuance of original license)  
19 ..... ~~40~~ 50

20                    "b. Business entities:

21                    "1. Application fee (For filing of initial  
22 application for license) ..... ~~20~~ 30

23                    "2. License fee (For original license and each  
24 biennial renewal) ..... 100

1 "c. Examination ~~fees~~ fee (For producer examination  
2 or reexamination, each classification of examination), an  
3 amount set by the commissioner not to exceed ..... ~~50~~ 100

4 "(6) Producer appointment fee:

5 "a. Filing notice of appointment ..... ~~30~~ 40

6 "b. Annual continuation of appointment ..... ~~10~~ 25

7 "c. Late fee, for failing to timely pay annual  
8 appointment continuation invoice ..... 250, plus an  
9 additional 250 for each additional month late

10 "(7) Reinsurance intermediary license:

11 "a. Filing application for license ..... 30

12 "b. Issuance of initial license ..... 140

13 "c. Annual continuation of license ..... 100

14 "(8) Managing general agent license:

15 "a. Application fee (For filing of initial  
16 application for license, each insurer) ..... 30

17 "b. Issuance of initial license, each insurer .....  
18 125

19 "c. Annual continuation of license, each insurer  
20 ..... 75

21 "(9) Service ~~representative's~~ representative  
22 license:

23 "a. Application fee (For filing of initial  
24 application for license, each insurer) ..... ~~20~~ 30

1            "b. Appointment fee, property and casualty, each  
2 insurer (For original appointment and each annual renewal)  
3        ..... ~~30~~ 40

4            "(10) Surplus line broker:

5            "a. Application fee (For filing of initial  
6 application for license)        ..... ~~20~~ 30

7            "b. License fee (For original license and each  
8 annual renewal):

9            "~~1. Individual licensees~~ Individuals ..... 200

10           "~~2. Business entity licensees~~ Entities ..... 500

11           "(11) Adjusters (resident or nonresident):

12           "a. Application fee (For filing of initial  
13 application for license; individuals and business entities)  
14        ..... ~~20~~ 30

15           "b. License fee (For original license and each  
16 biennial continuation):

17           "~~1. Individual licensees~~ Individuals ..... 80

18           "~~2. Business entity licensees~~ Entities ..... 200

19           "c. Examination fee, an amount set by the  
20 commissioner not to exceed ..... 100

21           "(12) Miscellaneous services:

22           "a. For copies of documents, records on file in  
23 Insurance Department, per page ..... 1

24           "b. For each certificate under seal of the  
25 commissioner, other than licenses ..... 5

1           "(13) The commissioner shall collect a fee of fifty  
2 dollars (\$50) when, in acting as agent for service of process  
3 for any insurance company, fraternal benefit society, mutual  
4 aid association, nonresident producer, nonresident independent  
5 adjuster, or nonresident surplus line broker, he or she  
6 accepts the service of legal process as provided by the laws  
7 of this state. The commissioner shall refuse to receive and  
8 file or serve any process unless the process is accompanied by  
9 the aforementioned fee, which shall be taxed as costs in the  
10 action.

11           "(b) The fees and licenses specified in subsection  
12 (a) shall be deposited in the State Treasury with 50 percent  
13 credited to the General Fund and 50 percent credited to the  
14 Insurance Department Fund.

15           "§27-8A-9.

16           "(a) The commissioner shall collect the following  
17 fees in the administration and enforcement of this chapter:

18           "(1) License renewal fees paid in connection with  
19 the biennial application for license renewal by producers and  
20 service representatives..... ~~\$40~~ \$70.

21           "(2) Late filing fee, L to be paid by each producer  
22 and service representative failing to ~~make a timely filing of~~  
23 ~~the compliance form~~ renew a license..... \$50.

24           "(3) Provider authority initial filing fee, a  
25 one-time fee to be paid by each education course provider for

1 authority to offer continuing education courses in this  
2 state..... \$300.

3 "(4) Provider authority annual renewal fee, to be  
4 paid by each education course provider for continuation of  
5 authority to offer continuing education courses in this  
6 state..... \$100.

7 "(5) Course approval filing fee, to be paid by the  
8 provider for the approval of each education course or program  
9 to be offered in this state (one-time fee per course, with no  
10 need for renewal)..... \$50.

11 "(b) The fees collected pursuant to this section  
12 shall be deposited in the State Treasury to the credit of the  
13 Insurance Department Fund."

14 Section 2. There is appropriated from the Insurance  
15 Department Fund in the State Treasury to the Department of  
16 Insurance the sum of five million dollars (\$5,000,000) for the  
17 fiscal year ending September 30, 2016. ~~Of this amount,~~ For the  
18 fiscal years ending September 30, 2016, September 30, 2017,  
19 and September 30, 2018, up to two million five hundred  
20 thousand dollars (\$2,500,000) may be transferred from the  
21 Insurance Department Fund by the Commissioner of Insurance to  
22 the Strengthen Alabama Homes Fund established pursuant to  
23 Section 27-31E-2, Code of Alabama 1975. The appropriation made  
24 in this section is in addition to any and all other funds

1 heretofore or hereafter appropriated to the Department of  
2 Insurance.

3 Section 3. There is appropriated from the Strengthen  
4 Alabama Homes Fund in the State Treasury established pursuant  
5 to Section 27-31E-2, Code of Alabama 1975, to the Department  
6 of Insurance the sum of two million five hundred thousand  
7 dollars (\$2,500,000) for the fiscal year ending September 30,  
8 2016. The appropriation made in this section is in addition to  
9 any and all other funds heretofore or hereafter appropriated  
10 to the Department of Insurance.

11 Section 4. This act shall be effective January 1,  
12 2016.



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Speaker of the House of Representatives

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President and Presiding Officer of the Senate

House of Representatives

I hereby certify that the within Act originated in  
and was passed by the House 02-APR-15.

Jeff Woodard  
Clerk

Senate	05-MAY-15	Amended and Passed
House	07-MAY-15	Concurred in Sen- ate Amendment