ALABAMA DEPARTMENT OF INSURANCE INSURANCE REGULATION ADMINISTRATIVE CODE

CHAPTER 482-1-110
RENEWAL OF LICENSE AND CONTINUING EDUCATION FOR PRODUCERS AND SERVICE REPRESENTATIVES

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482-1-110-.01 Authority.

This chapter is adopted pursuant to Code of Ala. 1975, §§27-2-17, 27-2-17.1, 27-7-43, and 27-8A-1, et seq.
Author: Commissioner of Insurance
Statutory Authority: Code of Ala. 1975, §§27-2-17, 27-7-43, 27-8A-1, et seq.
History: **New Rule:** September 15, 1994; effective October 1, 1994. **Amended:** August 19, 2002; effective August 29, 2002. Filed with LRS August 19, 2002. Rule is not subject to the Alabama Administrative Procedure Act. **Amended:** Filed November 29, 2006; effective December 9, 2006. Filed with LRS November 29, 2006. Rule is not subject to the Alabama Administrative Procedure Act. **Amended:** Filed October 18, 2012; effective October 28, 2012. Filed with LRS October 18, 2012. Rule is not subject to the Alabama Administrative Procedure Act.

482-1-110-.02 Purposes.

The purposes of this chapter are as follows:

(a) To set forth the procedures for the renewal of licenses of producers and service representatives, hereinafter sometimes referred to generally as "insurance representatives" or "licensees", as is required by Subsection (c) of Code of Ala. 1975, §27-7-14.

(b) To implement the continuing education requirements for producers and service representatives set forth in Code of Ala. 1975, §§27-8A-1 through 27-8A-13.

Author: Commissioner of Insurance
Statutory Authority: Code of Ala. 1975, §§27-2-17, 27-7-43, 27-8A-1, et seq.
History: **New Rule:** September 15, 1994; effective October 1, 1994. **Amended:** September 23, 1996; effective October 3, 1996. **Amended:** August 19, 2002; effective August 29, 2002. Filed with LRS August 19, 2002. Rule is not subject to the Alabama Administrative Procedure Act. **Amended:** Filed November 29, 2006; effective December 9, 2006. Filed with LRS November 29, 2006. Rule is not subject to the Alabama Administrative Procedure Act. **Amended:** Filed October 18, 2012; effective October 28, 2012. Filed with LRS October 18, 2012. Rule is not subject to the Alabama Administrative Procedure Act.

482-1-110-.03 Scope.

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

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

(a) The life lines of authority, as defined in Code of Ala. 1975, §27-7-1.

(b) The property lines of authority, as defined in Code of Ala. 1975, §27-7-1.

(c) Bail Bonds.

(d) Any combination thereof.

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

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

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

(c) Any nonresident producer or service representative who must complete the continuing education requirements in his or her state of residence. The home state's requirements may be used to meet this state's continuing education requirements if that state recognizes reciprocity with Alabama's continuing education requirements. A non-resident whose home state does not have a continuing education requirement or whose home state does not recognize reciprocity with Alabama's continuing education requirements, must meet the continuing education requirements of this state.

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

(e) Any individual exempt from the educational requirements of Code of Ala. 1975, §27-8A-1 immediately prior to January 1, 2013, so long as the individual remains exempt according to the law at that time, unless the license is permitted to expire or is otherwise terminated and remains out of effect for a period of 12 consecutive months, in which case the exemption is no longer applicable. To maintain an exemption from continuing education requirements, the individual must submit a statement and dated evidence that the exemption claimed applied prior to January 1, 2013, and continues in effect at the time of license renewal. Any change in the claimed exemption, such as loss of certification or position shall result in loss of the claimed exemption for subsequent renewal periods. Individuals may claim an exemption if any of the following apply subject to the terms outlined above:

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

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

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

Author: Commissioner of Insurance
Statutory Authority: Code of Ala. 1975, §§27-2-17, 27-7-43, 27-8A-1, et seq.
History: **New Rule:** September 15, 1994; effective October 1, 1994. **Amended:** September 23, 1996; effective October 3, 1996. **Amended:** December 16, 1998; effective January 1, 1999. **Amended:** August 19, 2002; effective August 29, 2002. Filed with LRS August

19, 2002. Rule is not subject to the Alabama Administrative Procedure Act. **Amended:** Filed November 29, 2006; effective December 9, 2006. Filed with LRS November 29, 2006. Rule is not subject to the Alabama Administrative Procedure Act. **Amended:** Filed October 18, 2012; effective October 28, 2012. Filed with LRS October 18, 2012. Rule is not subject to the Alabama Administrative Procedure Act. **Amended:** Filed July 21, 2016; effective July 31, 2016. Filed with LRS July 21, 2016. Rule is not subject to the Alabama Administrative Procedure Act. **Amended:** Filed November 7, 2018; effective November 17, 2018. Filed with LSA November 7, 2018. Rule is not subject to the Alabama Administrative Procedure Act.

482-1-110-.04 Renewal Of Licenses.

(1) All producers and service representatives licensed in the State of Alabama are required to complete an application for license renewal with the Department, which shall include the payment of the applicable fees, as set forth below:

(a) For individual producers and service representatives, the biennial license renewal fee as required by Code of Ala. 1975, §27-8A-9(a)(1) and as adjusted pursuant to § 41-1-11 ..... $84

(b) For business entity producers, the biennial renewal license fee as required by Code of Ala. 1975, §27-4-2(a)(5)b. 2.....$100

(2)(a)1. All individual producers and service representatives shall renew their license biennially based on their month and year of birth as indicated in subparagraphs 2 and 3, except an initial individual license shall not expire within the first ninety (90) days of its effective date but will continue until the next biennial expiration date.

2. Licensees Born in Odd-numbered Years. The license of an insurance representative born in an odd-numbered year will expire if not renewed at the end of the licensee's birth month in every odd-numbered year.

3. Licensees Born in Even-numbered Years. The license of an insurance representative born in an even-numbered year will expire if not renewed at the end of the licensee's birth month in every even-numbered year.

(b) Notice is hereby given that beginning approximately ninety (90) days prior to license expiration, individual licensees can access the Department's Web site for the purpose of completing their application for license renewal.

(c) All individual licensees shall complete an application for license renewal on the Department's Web site by the license expiration date, to include payment of the applicable fee as set forth in Paragraph (1). Any license not renewed by the license expiration date may still be renewed during the first 30 days following expiration, with reinstatement retroactive to the expiration date, but will be subject to a $60 late fee.

(3)(a) Expiration of Business Entity Producer Licenses. All business entity producer licenses shall expire if not renewed on December 31 of every even-numbered year, except an initial business entity license issued on or after October 1 of an even-numbered year shall not expire until December 31 of the next even-numbered year.

(b) Notice is hereby given that beginning on October 15 next preceding license expiration, business entity producers can access the Department's Web site for the purpose of completing their application for license renewal.

(c) All business entity producers shall complete an application for license renewal on the Department's Web site prior to license expiration, to include payment of the applicable fee as set forth in Paragraph (1). Any license not renewed by the license expiration date may still be renewed during the first 30 days following expiration, with reinstatement retroactive to the expiration date, but will be subject to a $60 late fee.

Author: Commissioner of Insurance
Statutory Authority: Code of Ala. 1975, §§27-2-17, 27-7-43, 27-8A-1, et seq., 41-1-11 (1975)
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482-1-110-.05 Educational Requirements.

(1)(a) Licensees Born in Odd-numbered Years, Renewal in 2009 and thereafter. Along with the renewal of license due to be completed in accordance with Paragraph (2) of Rule 482-1-110-.04 in the year 2009 and in every other year thereafter, every insurance representative born in an odd-numbered year and licensed in this state as a producer or service representative for the lines of insurance listed in Paragraph (2) of Rule 482-1-110-.03, and not exempt under Paragraph (3) of Rule 482-1-110-.03, shall satisfactorily complete such courses or programs of instruction as may be approved in accordance with this chapter in the minimum number of 24 classroom hours, 3 hours of which shall be on the topic of insurance producer ethics.

(b) Licensees Born in Even-numbered Years, Renewal in 2010 and thereafter. Along with the renewal of license due to be completed in accordance with Paragraph (2) of Rule 482-1-110-.04 in the year 2010 and in every other year thereafter, every insurance representative born in an even-numbered year and licensed in this state as a producer or service representative for the lines of insurance listed in Paragraph (2) of Rule 482-1-110-.03, and not exempt under Paragraph (3) of Rule 482-1-110-.03, shall satisfactorily complete such courses or programs of instruction as may be approved in accordance with this chapter in the minimum number of 24 classroom hours, 3 hours of which shall be on the topic of insurance producer ethics.

(2) A person teaching any approved course of instruction or lecturing at any approved seminar or program shall qualify for the same number of classroom hours as would be granted to a person taking and successfully completing such course, seminar or program.

(3) No producer or service representative may receive credit for any approved course more than once in any reporting period.

(4) Producers and service representatives who have been licensed for less than twelve months at the time of their first renewal are not required to complete the educational requirements of this rule.

(5) In lieu of the number of classroom hours required in Paragraph (1), any producer or service representative employed by another producer or by an insurer to work only in the office of the employer and who is not licensed as a nonresident in any other state shall satisfactorily complete a minimum of 12 classroom hours of approved courses, of which two hours shall be on the topic of insurance producer ethics.

(6) For the purposes of this chapter, "classroom hour" shall mean a unit of at least fifty (50) minutes of participation in an approved course. This unit of measure shall apply to any classroom course, correspondence course, internet course, or other program and/or seminar of instruction approved by the Commissioner. Not more than ten (10) minutes of any sixty (60) minute period may be used for breaks, roll-taking, or administrative instructions. The total classroom hours, sometimes also referred to as "credit hours," for an approved course will be assigned by the Department in the course approval process.

Author: Commissioner of Insurance

Statutory Authority: Code of Ala. 1975, §§27-2-17, 27-7-43, 27-8A-1, et seq.

History: **New Rule:** September 15, 1994; effective October 1, 1994. **Amended:** September 23, 1996; effective October 3, 1996. **Amended:** August 19, 2002; effective August 29, 2002. Filed with LRS August 19, 2002. Rule is not subject to the Alabama Administrative Procedure Act. **Amended:** Filed November 29, 2006; effective December 9, 2006. Filed with LRS November 29, 2006. Rule is not subject to the Alabama Administrative Procedure Act. **Amended:** Filed October 18, 2012; effective October 28, 2012. Filed with LRS October 18, 2012. Rule is not subject to the Alabama Administrative Procedure Act. **Amended:** Filed November 10, 2016; effective November 20, 2016. Filed with LRS November 10, 2016. Rule is not subject to the Alabama Administrative Procedure Act.

482-1-110-.06 Education Provider Requirements.

(1) The Commissioner shall, with the advice of the Continuing Education Advisory Committee, approve and authorize providers of continuing education courses and programs, and will designate any such course as being acceptable for the purposes of this chapter. Each such authority holder must apply annually for the continued authority to offer continuing education courses in this state.

(2) The courses or programs of instruction successfully completed which shall be deemed to meet the Commissioner's standards for continuing educational requirements and the number of classroom hours for which they are equivalent are:

(a) Any course or program of instruction or seminar developed and/or sponsored by any school, college, university, bona fide educational school, authorized insurer, recognized state insurance producers association, or insurance trade association shall, subject to the approval of the Commissioner, qualify for the equivalency of the number of classroom hours assigned thereto by the Commissioner.

(b) Any correspondence or internet course approved by the Commissioner shall qualify for the equivalency of the number

of classroom hours assigned thereto by the Commissioner, provided said course has been authorized, developed, or sanctioned by a school, college, university, bona fide educational school, authorized insurer, recognized state insurance producers association or insurance trade association. To be approved, a correspondence or internet course must include an appropriate testing instrument requiring a grade of 70 percent to successfully complete the course. The examination must be administered by a proctor, who must sign an affidavit attesting to the fact that the student received no outside assistance in the completion of the final examination. The proctor must be a disinterested third party, with a minimum age of 18 years, who can be any person except for family members or individuals who have a financial interest in the success of the student taking the examination. Co-worker proctors must not be above or below in the student's line of supervision.

(3) The commissioner shall not approve a course under this chapter:

(a) That is designed to prepare an individual to receive an initial license under Chapter 7 of the Insurance Code.

(b) Which deals only with office skills.

(c) Which concerns sales promotion and sales techniques.

(d) Which deals with motivation, psychology or time management.

(e) Every authorized provider of continuing education courses in this state shall, in the format approved by the Commissioner, file a record of all licensees successfully completing each course or program within ten (10) days of the date said course or program is completed. In the case of a correspondence or internet course, this record shall be filed within ten (10) days of the date the provider assigns a grade to the final examination required in subparagraph (2)(b).

(5) At the time of filing its original application for authority as a continuing education course provider, each provider shall pay a filing fee of $435. Each year thereafter, every provider shall pay a renewal fee for the continuation of the authority to offer continuing education courses in this state of $145. This renewal fee shall be paid each year during the renewal period of October 1 to December 31. If the renewal application and fee are not received by December 31, the provider approval and all courses approved for that provider will expire. Any fees paid by a provider prior to April 23, 1996, the effective date of Act 96-343, for qualification to become a course provider shall be applied as credits against the provider fees set forth in this chapter.

(6) At the time of filing for course approval, providers shall pay a course approval filing fee of $72 for each education course or program to be offered in this state. Once approved, no additional filing shall be required for a particular course or program unless the course materially changes. Please note that should the provider authority expire as indicated above, all courses approved for that provider will also expire. Should the provider again become authorized, all courses must be submitted for approval and the course approval fee indicated above must be paid for each such course.
Author: Commissioner of Insurance
Statutory Authority: Code of Ala. 1975, §§27-2-17, 27-7-43, 27-8A-1, et seq. & 41-1-11
History: **New Rule:** September 15, 1994; effective October 1, 1994. **Amended:** September 23, 1996; effective October 3, 1996. **Amended:** August 19, 2002; effective August 29, 2002. Filed with LRS August 19, 2002. Rule is not subject to the Alabama Administrative Procedure Act. **Amended:** Filed November 29, 2006; effective December 9, 2006. Filed with LRS November 29, 2006. Rule is not subject to the Alabama Administrative Procedure Act. **Amended:** Filed October 18, 2012; effective October 28, 2012. Filed with LRS October 18, 2012. Rule is not subject to the Alabama Administrative Procedure Act. **Amended:** Filed December 8, 2015; effective January 13, 2016. Filed with LRS December 8, 2012. Rule is not subject to the Alabama Administrative Procedure Act. **Revised:** June 14, 2017; effective June 24, 2017. Filed with LRS June 14, 2017. Rule is not subject to the Alabama Administrative Procedure Act. **Amended:** Filed June 10, 2021; effective June 20, 2021. Filed with LSA June 10, 2021. Rule is not subject to the Alabama Administrative Procedure Act. **Amended:** Published August 31, 2026; effective January 1, 2027.

482-1-110-.07 Compliance.

(1)(a) Every producer and service representative subject to this chapter shall complete an application for license renewal in accordance with Rule 482-1-110-.04.

(b) The license of any individual or business entity failing to complete the application for license renewal within the time specified in Paragraph (2) of Rule 482-1-110-.04 will expire but there is a 30-day grace period following the expiration during which time the licensee can renew with payment of the late fee plus the renewal fee. If the licensee shall complete the application for license renewal prior to the end of said 30-day grace period, along with the payment of the applicable fees, the license will not expire.

(2) Any licensee completing an application for license renewal in accordance with Paragraph (1) above but failing to meet the educational requirements imposed by this chapter within the times

set forth in this chapter will not be renewed until the licensee shall have complied with the educational requirements of this chapter.

(3) If the licensee has complied with the educational requirements of Rule 482-1-110-.05 and has otherwise complied with this chapter, the license will be renewed.

(4) The Commissioner may, after notice and hearing as provided in Code of Ala. 1975, §27-7-20, which hearing may be waived by the licensee, suspend or revoke the license of any producer or service representative who does any of the following:

(a) Submits to the Commissioner a false or fraudulent application for renewal of license, as a violation of Code of Ala. 1975, §27-7-19(a)(2).

(b) Submits to the Commissioner a false or fraudulent certificate of compliance with the educational requirements of this chapter, as a violation of Code of Ala. 1975, §27-8A-2.

(c) Otherwise files a false statement required by Chapter 8A of the Insurance Code in accordance with this chapter, with knowledge of the falsity of the statement, as a violation of Code of Ala. 1975, §27-8A-8.

(5) Any action taken pursuant to Paragraph (6) subjects the licensee to the suspension or revocation of all licenses issued to the licensee for any kind or kinds of insurance, and no further license shall be issued to the licensee for any kind or kinds of insurance until the licensee shall have complied with the educational requirements of this chapter.

(6) In lieu of suspension of license pursuant to paragraph (4), and in the sole discretion of the Commissioner, for violations of subparagraph (b) of paragraph (4), the licensee may be subject to a civil fine in an amount not to exceed ten thousand dollars ($10,000).

Author: Commissioner of Insurance
Statutory Authority: Code of Ala. 1975, §§27-2-17, 27-7-43, 27-8A-1, et seq.
History: **New Rule:** September 15, 1994; effective October 1, 1994. **Amended:** September 23, 1996; effective October 3, 1996. **Amended:** December 16, 1998; effective January 1, 1999. **Amended:** August 19, 2002; effective August 29, 2002. Filed with LRS August 19, 2002. Rule is not subject to the Alabama Administrative Procedure Act. **Amended:** Filed November 29, 2006; effective December 9, 2006. Filed with LRS November 29, 2006. Rule is not subject to the Alabama Administrative Procedure Act. **Amended:** Filed October 18, 2012; effective October 28, 2012. Filed with LRS October 18, 2012. Rule is not subject to the Alabama Administrative Procedure Act. **Revised:** June 14, 2018, Effective

January 1, 2019. Filed with LRS June 14, 2018. Rule is not subject to the Alabama Administrative Procedure Act.

482-1-110-.08 Severability Clause.

If any provision of this chapter, or the application thereof to any person or circumstance, is held invalid, such determination shall not affect other provisions or applications of this chapter which can be given effect without the invalid provision or application, and to that end the provisions of this chapter are severable.
Author: Commissioner of Insurance
Statutory Authority: Code of Ala. 1975, §§27-2-17, 27-7-43, 27-8A-1, et seq.
History: **New Rule:** September 15, 1994; effective October 1, 1994. **Amended:** September 23, 1996; effective October 3, 1996. **Amended:** August 19, 2002; effective August 29, 2002. Filed with LRS August 19, 2002. Rule is not subject to the Alabama Administrative Procedure Act. **Amended:** Filed November 29, 2006; effective December 9, 2006. Filed with LRS November 29, 2006. Rule is not subject to the Alabama Administrative Procedure Act.

482-1-110-.09 Effective Date.

This chapter shall become effective upon its approval by the Commissioner of Insurance, and upon its having been on file as a public document in the office of the Secretary of State for ten days.
Author: Commissioner of Insurance
Statutory Authority: Code of Ala. 1975, §§27-2-17, 27-7-43, 27-8A-1, et seq.
History: **New Rule:** September 15, 1994; effective October 1, 1994. **Amended:** September 23, 1996; effective October 3, 1996. **Amended:** December 16, 1998; effective January 1, 1999. **Amended:** August 19, 2002; effective August 29, 2002. Filed with LRS August 19, 2002. Rule is not subject to the Alabama Administrative Procedure Act. **Amended:** Filed November 29, 2006; effective December 9, 2006. Filed with LRS November 29, 2006. Rule is not subject to the Alabama Administrative Procedure Act.