

**ALABAMA DEPARTMENT OF INSURANCE
ADMINISTRATIVE CODE**

**CHAPTER 482-1-036
INSURANCE PLACED WITH COMPANIES NOT LICENSED IN ALABAMA**

482-1-036-.03 Licensing Of Surplus Line Brokers.

(1) (a) Individual residents of this state who are licensed as insurance producers as to property and casualty insurance as defined in Section 27-7-14.1 may be licensed as surplus line brokers to place in non-admitted carriers only those coverages authorized by their license as an insurance producer.

(b) Powers of the licensee as a surplus line broker are limited to those same powers for which he or she is licensed as an insurance producer.

(c) Authority under a surplus line broker's license is coterminous with the licensee's authority as an insurance producer.

(d) The surplus line law provides that an insurance producer who, at the discretion of the Commissioner, has sufficient experience in the insurance business may be licensed as a surplus line broker. It is hereby deemed that minimum qualifications for a an individual surplus line broker are a combination of training and experience equivalent to high school graduation including at least three years of recent fulltime experience in the property and casualty insurance fields. A business entity shall be deemed eligible so long as an individual licensed as a surplus line broker is designated as responsible for the business entity's compliance with the insurance laws, rules, and regulations of this state.

(e) A bond in the amount of \$50,000 as required by Section 27-10-24(a) (3) must accompany the application for license.

(f) The application should also be accompanied by the fees set forth in Section 27-4-2.

(2) Individuals and business entities from another state may receive a nonresident surplus line broker license as follows:

(a) The person must submit to the Commissioner a copy of the application for licensure that was submitted to the home state.

(b) The person must submit Form [AL-SLB-13] requesting licensure and pay the fees as set forth in Section 27-4-2.

(c) The person's home state must issue a nonresident surplus line broker license to persons from Alabama on the same basis.

(d) The person is currently licensed as a resident surplus line broker and is in good standing in the applicant's home state.

(e) The authority under the Alabama surplus line broker license will be coterminous with the person's home state authority as a surplus line broker.

(3) Surplus line broker licenses will run for the calendar year, and the license fee may not be prorated for any portion of the year.

Author: Commissioner of Insurance

Statutory Authority: Code of Ala. 1975, §§27-2-17, 27-10-1, et seq.

History: New Rule: September 23, 1963. **Revised:** February 28, 1977; effective March 10, 1977. **Revised:** April 17, 1989; effective April 28, 1989. **Amended:** August 12, 2008; effective August 22, 2008. Filed with LRS August 13, 2008. Rule is not subject to the Alabama Administrative Procedure Act.