



## BULLETIN 16-08

### **TO: ALL LICENSEES AND REGISTRANTS IN THE STATE OF ALASKA AND OTHER INTERESTED PARTIES**

### **RE: CHANGES IN ALASKA INSURANCE LAWS AND REGULATIONS**

This bulletin summarizes the major changes related to licensees and registrants made to Alaska insurance laws resulting from the passage of SCS CSHB 372 (L&C) in the second session of the 29<sup>th</sup> Legislature that was signed into law by the Governor in July 2016. This bulletin is for informational purposes only and is not intended to be an exhaustive analysis of the statutory changes to the insurance code, and a statement in this bulletin does not supersede or modify in any way the statutory provisions of the bill. Please review the bill carefully and the rest of Alaska's insurance laws to assure your compliance when transacting insurance business in Alaska.

The new laws may be found at <http://www.legis.state.ak.us/PDF/29/Bills/HB0372Z.pdf>. You may obtain a copy of the bill by contacting the Alaska Legislative Information Office. Please note that this bill has multiple effective dates.

The new regulations may be found at <https://www.commerce.alaska.gov/web/Portals/7/pub/omnibus-regs.pdf>.

#### **3AAC 23.860(a) – Individual Licensee Expiration Date**

Effective 8/20/2016, Alaska will be changing the biennial expiration/renewal dates for all individual license types. All individual licenses will now expire on the last day of the licensee's birth month. Please note that the new expiration date will not apply until the next renewal cycle following 8/20/16. All new applications submitted after 8/20/16 will reflect the new expiration date.

#### **AS 21.27.020(c) (3) – Compliance Officer (DRLP)**

Effective 10/16/2016, Alaska statute has been changed to reflect the procedure of allowing business entities to designate only one DRLP per class of authority (Producer, Surplus Lines Broker, etc.).

#### **AS 21.27.025(a) – Required Notice of Licensees**

Effective 10/16/2016, Alaska will require that all licensees notify the Division of Insurance (DOI) in writing not later than 30 days after a change in compliance officer. This notice can be

submitted using section 9 of the licensing change form located at <https://www.commerce.alaska.gov/web/Portals/7/pub/Licensing/Forms/08-1245.pdf>.

Effective 10/16/2016, Alaska will require that all licensees notify the DOI in writing not later than 30 days after the final disposition of any sanction or arbitration imposed by any financial industry regulatory authority. This notice should be submitted to the DOI through the National Insurance Producer Registry (NIPR) attachments warehouse at <https://pdb.nipr.com/docMgmt/main.html>.

**AS 21.27.115 (9) – Lines of Authority**

Effective 10/16/2016, as the division continues its efforts to update requirements that will bring Alaska into greater conformity with national licensing standards and to streamline processes to be more efficient, we will be repealing the surety line of authority (LOA). Licensees wishing to sell, solicit, or negotiate surety products can continue to do so with property and casualty authority.

**AS 21.27.640(b) (9) – Required Notice of Third Party Administrators (TPAs)**

Effective 10/16/2016, Alaska will require that TPAs notify the DOI in writing not later than 30 days after the final disposition of an administrative action taken against the registrant by a governmental agency of another state, by a governmental agency of another jurisdiction, or by a financial industry regulatory authority sanction or arbitration proceeding. This notice should be submitted to the DOI through the NIPR attachments warehouse at <https://pdb.nipr.com/docMgmt/main.html>.

**AS 21.27.150 (a) – Limited Lines Licenses**

Effective 3/1/2017, Alaska will begin offering a Crop Insurance Limited Producer license to a person who sells or offers crop insurance coverage for damage to crops from unfavorable weather conditions, fire or lightning, flood, hail, insect infestation, disease, or other yield-reducing conditions or perils provided by the private insurance market or that is subsidized by the Federal Crop Insurance Corporation, including multi-peril crop insurance. The crop major line of authority has been repealed.

If you have questions regarding the information in this bulletin, please contact the division at [insurance@alaska.gov](mailto:insurance@alaska.gov) or at the following addresses:

Alaska Division of Insurance  
P.O. Box 110805  
Juneau, AK 99811-0805  
(907) 465-2515

Alaska Division of Insurance  
550 West Seventh Avenue, Suite 1560  
Anchorage, AK 99501-3567  
(907) 269-7900

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Lori Wing-Heier  
Director