



**Department of Community
and Economic Development**

Division of Insurance

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BULLETIN B 03-04

**TO: ALL LIFE AND HEALTH LICENSEES AND INSURERS TRANSACTING
CONSUMER CREDIT INSURANCE BUSINESS IN ALASKA AND
OTHER INTERESTED PARTIES**

RE: LIMITED LINES CREDIT LICENSE AUTHORITY

In January 2002 the division issued Bulletin B 02-01 that outlined the changes in the Alaska insurance licensing system that occurred after the passage of legislation in 2001. Those changes went into effect January 1, 2002. That bulletin may be accessed on the division's web site at www.dced.state.ak.us/insurance/bulletins/02-01.htm.

Among other changes, the legislation created a new line of authority for limited lines credit insurance, which includes the former mortgage guarantee and credit life/credit disability authorities. This change affects any person who sells, solicits, or negotiates credit insurance on behalf of an admitted insurer in this state. As explained in the bulletin, license conversions were necessary to implement the new line of authority required to offer these insurance products.

Before January 1, 2002, a life and health or an all lines authority license allowed the licensee to sell credit products. Since that date, a licensee selling or wishing to sell credit products must obtain the credit limited lines license.

The division converted those licensees who were licensed as of January 1, 2002 for credit life/credit disability and mortgage guaranty authorities to reflect the new credit limited line authority. But a licensee who was licensed for life and health or all lines authority was **not** converted to add the new limited lines credit authority unless the licensee requested such a conversion in writing to the division.

If you were actively licensed for life and health or all lines authority on January 1, 2002 and you wish to sell credit products, you **must obtain** a limited lines credit authority license. If you were actively licensed for life and health or all lines authority before January 1, 2002, and you have not converted your license to reflect the new limited lines credit authority, you must submit a written request to the division to add limited lines credit authority to your license **no later than June 30, 2003**. Examination results for credit authority and an amendment fee **will not** be required if the division receives your written request on or before June 30, 2003. Starting July 1, 2003, a licensee requesting the addition of limited lines credit authority must submit an amendment application to add this line of authority along with all filing requirements, including examination results. The division will not print new licenses showing the new limited lines credit authority until the next renewal of your license but you must have that authorization to sell credit products.

A LICENSEE SHOULD NOT BE TRANSACTING LIMITED LINES CREDIT BUSINESS WITHOUT HOLDING THE REQUIRED LIMITED LINES CREDIT LICENSE AND COULD BE SUBJECT TO PENALTIES UNDER THE INSURANCE CODE FOR DOING SO.

Licensing Forms and Information

You may access licensing forms and instructions or examination information through our web site at www.dced.state.ak.us/insurance or you may obtain them by writing to the division and including a self-addressed, stamped envelope with your request to:

Alaska Division of Insurance
P.O. Box 110805
Juneau, AK 99811-0805

A Frequently Asked Questions section on our web site provides further information regarding producer licensing: www.dced.state.ak.us/insurance and click on the Frequently Asked Questions button, Agent/Agency Licensing.

If you have questions regarding the information in this bulletin, you may contact the licensing staff at (907) 465-2515.

Dated this 27th day of May, 2003.



Linda S. Hall
Director