

STATE OF ALASKA

WALTER J. HICKEL, GOVERNOR

DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT

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DIVISION OF INSURANCE

ORDER R93-07 ADOPTING REGULATIONS OF THE DIVISION OF INSURANCE

The attached three pages of regulations, dealing with the renewal and lapse of licenses are hereby adopted and certified to be a correct copy of the regulations that the Division of Insurance adopts under authority of AS 21.06.090 and after compliance with the Administrative Procedure Act (AS 44.62), specifically including notice under AS 44.62.190 and AS 44.62.200 and opportunity for public comment under AS 44.62.210.

This action is not expected to require an increased appropriation.

This order takes effect on the 30th day after it has been filed by the Lieutenant Governor, as provided in AS 44.62.180.

DATE: September 21, 1993
Juneau, Alaska

for Joan Brown
David J. Walsh
Director of Insurance

FILING CERTIFICATION

I, John B. Coghill, Lieutenant Governor for the State of Alaska, certify that on NOVEMBER 26th, 1993, at 1:30 P.m., I filed the attached regulations according to the provisions of AS 44.62.040 - AS 44.62.120

John B. Coghill
Lieutenant Governor

Effective December 26, 1993.

Register 428 January 1994.

DJW/lvs107t
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TITLE 3. COMMERCE AND ECONOMIC DEVELOPMENT

PART 2. DIVISION OF INSURANCE

CHAPTER 23. PRODUCERS, MANAGING GENERAL AGENTS,
SURPLUS LINES BROKERS, REINSURANCE INTERMEDIARY
MANAGERS, REINSURANCE INTERMEDIARY BROKERS, THIRD
PARTY ADMINISTRATORS, AND INDEPENDENT ADJUSTERS

Article 6. General Provisions

3 AAC 23.860(c) is repealed and readopted to read:

(c) To renew a license issued under AS 21.27, a licensee shall submit an application for license renewal on the form provided by the division. In addition to the license renewal application, a nonresident licensee shall submit a certification from the domicile state indicating that in the domicile state the nonresident licensee is competent, in good standing, and qualified to maintain a license in that state. The license renewal application form for

(1) an individual license must be signed by the licensee;

(2) a person licensed as an individual in the firm, as defined in AS 21.27.900, must be signed by the licensee and the principal or manager listed on the firm's license; if the individual works for more than one firm, each firm's principal or manager must sign the renewal form or an addendum;

(3) a firm license must be signed by the principal or manager listed on the firm's license;

(4) a trainee license must be signed by the trainee and the employing supervisor.

3 AAC 23.860 is amended by adding the following new subsections:

(d) If the license renewal application form and payment of the fee are not received by the director before the close of business on the license renewal date, the license lapses. A licensee may not conduct business with a lapsed license in accordance with AS 21.27.380(b).

(e) If the license of a principal, manager, or compliance officer of a firm lapses, the division will notify that firm; the active principal, manager, or compliance officer of the firm; and all licensed individuals in the firm as defined in AS 21.27.900, that within 30 days from the date the license lapsed, the firm must designate and complete all license application requirements for a new principal, manager, or compliance officer. The notice will be sent by first class certified mail or first class mail with a certificate of mailing from the United States Postal Service.

(f) If a firm fails to comply with (e) of this section, the following licenses will lapse:

(1) the firm license;

(2) the license of the principal, manager, or compliance officer if that person is affiliated only with that firm; and

(3) the license of any licensed individual in the firm, as defined in AS 21.27.900, if that person is affiliated only with that firm.

(g) If a firm license lapses, the division will notify the principal, manager, compliance officer, and each individual in the firm, as defined in AS 21.27.900, that if the firm whose license has lapsed is the only firm that person is affiliated

with, that person has 30 days from the date the firm license lapsed to affiliate with another licensed firm, apply for and obtain an individual license, or voluntarily surrender the license for cancellation. All license affiliations with a firm will be inactivated during the period the firm's licensed is lapsed. The notice will be sent by first class certified mail or first class mail with a certificate of mailing from the United States Postal Service.

(h) A person licensed as a principal, manager, compliance officer, or a licensed individual in a firm, as defined in AS 21.27.900, who is affiliated with more than one firm may not conduct business for the firm whose license is lapsed, but is not prohibited from conducting business for the firm whose license is not lapsed. The division will reprint a license following the removal of an affiliation with a firm whose license is lapsed.

(i) If the principal, manager, compliance officer, or licensed individual in a firm, as defined in AS 21.27.900, fails to comply with (g) of this section, that person's license issued under AS 21.27 will lapse. (Eff. 7/1/92, Register 123; am 12/26/93, Register 128)

Authority: AS 21.06.090
AS 21.27.380