

1 SB275  
2 183117-1  
3 By Senator Blackwell  
4 RFD: Banking and Insurance  
5 First Read: 07-MAR-17

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8 SYNOPSIS: Under existing law, independent insurance  
9 adjusters are licensed by the Department of  
10 Insurance.

11 This bill would waive the requirement that  
12 an applicant complete any prelicensing course or  
13 examination as a prerequisite to licensure as an  
14 independent insurance adjuster if the applicant  
15 holds a certification from a person or entity  
16 approved by the Commissioner of Insurance that  
17 provides adjuster education and training and that  
18 requires, as a prerequisite to certification,  
19 examination requirements substantially equivalent  
20 to those of this state.

21 This bill would also waive the continuing  
22 education requirement for a licensee who holds a  
23 certification from a person or entity approved by  
24 the commissioner that provides adjuster education  
25 and training and that requires continuing education  
26 requirements substantially equivalent to those of  
27 this state.

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2 A BILL  
3 TO BE ENTITLED  
4 AN ACT

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6 Relating to independent insurance adjusters; to  
7 amend Sections 27-9A-9, as amended by Act 2016-341, 2016  
8 Regular Session, and 27-9A-13, Code of Alabama 1975; to waive  
9 the requirement that an applicant complete any prelicensing  
10 course or examination as a prerequisite to licensure as an  
11 independent insurance adjuster if the applicant holds a  
12 certification from a person or entity approved by the  
13 Commissioner of Insurance that provides adjuster education and  
14 training and that requires, as a prerequisite to  
15 certification, examination requirements substantially  
16 equivalent to those of this state; and to waive the continuing  
17 education requirement for a licensee who holds a certification  
18 from a person or entity approved by the commissioner that  
19 provides adjuster education and training and that requires  
20 continuing education requirements substantially equivalent to  
21 those of this state.

22 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

23 Section 1. Sections 27-9A-9, as amended by Act  
24 2016-341, 2016 Regular Session, and 27-9A-13, Code of Alabama  
25 1975, are amended to read as follows:

26 "§27-9A-9.

1           "(a) An individual applicant for an independent  
2 adjuster license in this state shall not be required to  
3 complete any prelicensing course or examination if the person  
4 is currently licensed in another state for the same line or  
5 lines of authority based on an independent adjuster  
6 examination or if such state license has expired and the  
7 application is received by this state within 90 days of  
8 expiration. The applicant shall either provide certification  
9 from the other state that the applicant's license is currently  
10 in good standing or was in good standing at the time of  
11 expiration or the state's producer database records maintained  
12 by the NAIC must indicate that the applicant is or was  
13 licensed in good standing. The certification must be of a  
14 license with the same line of authority for which the  
15 individual has applied.

16           "(b) A person licensed as an independent adjuster in  
17 another state based on an independent adjuster examination  
18 who, within 90 days of establishing legal residency in this  
19 state, applies to become a resident independent adjuster  
20 licensee pursuant to Section 27-9A-6 shall not be required to  
21 complete a prelicensing course or an examination.

22           "(c) An individual who applies for an independent  
23 adjuster license in this state who was previously licensed as  
24 an independent adjuster in this state shall not be required to  
25 complete a prelicensing course or examination, but this  
26 exemption is only available if the application is received  
27 within 12 months of the cancellation of the applicant's

1 previous license in this state and if, at the time of  
2 cancellation, the applicant was in good standing in this  
3 state.

4 "(d) An individual applicant for an independent  
5 adjuster license in this state shall not be required to  
6 complete a prelicensing course or examination if the applicant  
7 was previously employed for a minimum of 20 years as an  
8 adjuster in this state by an insurance company licensed in  
9 this state and the applicant submits his or her application  
10 within 12 months of leaving the employment of the company. The  
11 insurance company, upon request, shall certify to the  
12 department the time period that the applicant was employed by  
13 the insurance company.

14 "(e) An individual applicant for an independent  
15 adjuster license in this state shall not be required to  
16 complete any prelicensing course or examination if the  
17 applicant holds a certification from a person or entity  
18 approved by the commissioner that provides adjuster education  
19 and training and that requires, as a prerequisite to  
20 certification, an examination substantially equivalent to that  
21 of this state. The applicant shall provide evidence of current  
22 certification.

23 "§27-9A-13.

24 "(a) An individual who holds an independent adjuster  
25 license and who is not exempt under subsection (b) shall  
26 satisfactorily complete a minimum of 24 hours of continuing  
27 education courses as may be approved by the commissioner, of

1 which three hours must be in ethics, reported to the  
2 commissioner on a biennial basis in conjunction with the  
3 license renewal cycle.

4 "(b) This section shall not apply to:

5 "(1) Licensees not licensed for one full year prior  
6 to the end of the applicable continuing education biennium.

7 "(2) Licensees holding nonresident independent  
8 adjuster licenses who have met the continuing education  
9 requirements of their designated home state and whose home  
10 state gives credit to residents of this state on the same  
11 basis.

12 "(3) Licensees holding a certification from a person  
13 or entity approved by the commissioner that provides adjuster  
14 education and training and that requires, as a condition to  
15 maintenance of such certification, continuing education  
16 coursework substantially equivalent to that of this state.

17 "(c) Only continuing education courses and providers  
18 approved by the commissioner shall be used to satisfy the  
19 continuing education requirements of this section. Continuing  
20 education providers and courses shall be subject to the same  
21 requirements and fees set forth in Chapter 8A of this title.

22 "(d) The commissioner shall prescribe the number of  
23 hours of continuing education credit for each continuing  
24 education course approved. Continuing education courses  
25 submitted in accordance with a reciprocal agreement the  
26 commissioner enters with other states shall be approved  
27 according to the provisions of the reciprocal agreement.

1           "(e) If a continuing education course requires  
2 successful completion of a written examination, no continuing  
3 education credit shall be given to licensees who do not  
4 successfully complete the written examination.

5           "(f) An individual teaching any approved continuing  
6 education course shall qualify for the same number of hours of  
7 continuing education credit as would be granted to a licensee  
8 taking and satisfactorily completing the course."

9           Section 2. This act shall become effective on the  
10 first day of the third month following its passage and  
11 approval by the Governor, or its otherwise becoming law.