

APA-1
03/11

TRANSMITTAL SHEET FOR
NOTICE OF INTENDED ACTION

Control No. Department or Agency

Rule No.

Rule Title:

New Amend Repeal Adopt by Reference

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety?

Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare?

Is there another, less restrictive method of regulation available that could adequately protect the public?

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved and, if so, to what degree?

Is the increase in cost, if any, more harmful to the public than the harm that might result from the absence of the proposed rule?

Are all facets of the rulemaking process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public?

Does the proposed rule have an economic impact?

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975, and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Reference Service.

Signature of Certifying Officer 
Date

(DATE FILED)
(STAMP)

Alabama Department of Industrial Relations
Workers' Compensation Division

NOTICE OF INTENDED ACTION

AGENCY NAME: Department of Industrial Relations

RULE NO. & TITLE: 480-5-3-.10 Group Self Insurance-
Powers/Authority of Director

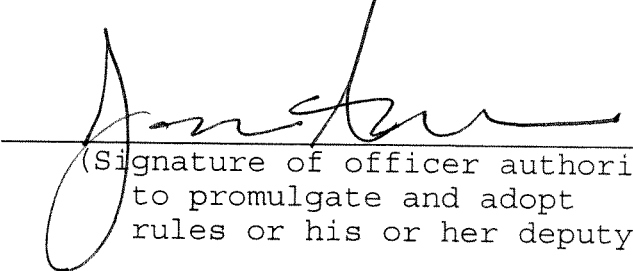
INTENDED ACTION: Amend Rule 480-5-3-.10

SUBSTANCE OF PROPOSED ACTION:
Amends rule for hiring actuaries, at the funds expense.

TIME, PLACE, MANNER OF PRESENTING VIEWS:
Written or oral comments may be submitted to the Department of Industrial Relations, Workers Compensation Division, 649 Monroe Street, Montgomery, AL 36131, (800) 528-5166. Business hours are 8:00 a.m. to 5:00 p.m., Monday-Friday. Deadline submissions is June 8, 2012.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:
Written/Oral comments must be received by the Department no later than June 8, 2012.

CONTACT PERSON AT AGENCY:
Charles DeLamar or Steve Garrett,
(800) 528-5166/Charles.delamar@dir.alabama.gov


(Signature of officer authorized
to promulgate and adopt
rules or his or her deputy)

ALABAMA DEPARTMENT OF INDUSTRIAL RELATIONS
ADMINISTRATIVE CODE

RULE

Division: Workers' Compensation
Chapter: General
Page 1 of 1

480-5-3-.10 Powers And Authority Of The Director.

(1) Examination - The Director may examine and investigate the affairs of any Fund to determine whether the Fund is operating in accordance with these Rules and the Law. The Director may order an independent fiscal and actuarial examination. The Director may hire an independent actuary or CPA at the Funds expense to examine the affairs of any Fund, to include confirming that the rates submitted are adequate and that claims are properly reserved.

(2) Forms. The Director shall prescribe forms and instructions required by these Rules. Forms may not be modified without prior written approval of the Director.

(3) Limited Waiver Authority - The Director may not waive any of the requirements of Rule 480-5-3-.07 relative to the formation of Funds. The Director may for good cause shown waive the requirements of any other of these Rules.

(4) Merging of Fund - If an existing Fund desires to merge with another Fund, an insurance carrier or similar entity the Director may require financial, actuarial, or other information deemed appropriate to ensure that sufficient capital and/or surplus exist for the payment of incurred or unreported workers' compensation claims and that the member equity is protected. All Fund mergers must be approved in advance by the Director.

Author: Wilbon S. Spates, Chief, Workers' Compensation Division

Statutory Authority: Code of Ala. 1975, §25-2-2(6).

History: New Rule: ~~Filed October 9, 1997; effective November 13, 1997.~~ Filed _____, 2012; effective _____, 2012.