

TRANSMITTAL SHEET FOR
NOTICE OF INTENDED ACTION

Control 482 Department or Agency Department of Insurance

Rule No. Chapter 482-1-158

Rule Title: Criminal History Background Checks for Title Insurance Agents

New Amend Repeal Adopt by Reference

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

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

Is there another, less restrictive method of regulation available that could adequately protect the public? No

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? No

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

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? Yes

Does the proposed rule have an economic impact? Yes

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 Ala. Code § 41-22-23 (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 complies with all applicable filing requirements of the Administrative Procedure Division of the Legislative Reference Service.

Signature of certifying officer Jim L. Ridling
Jim L. Ridling
Commissioner of Insurance

Date: August 14, 2014

Alabama Department of Insurance

NOTICE OF INTENDED ACTION

AGENCY NAME: Alabama Department of Insurance

RULE NO. & TITLE: Chapter 482-1-158: Criminal History
Background Checks for Title Insurance Agents

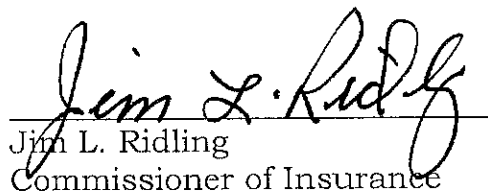
INTENDED ACTION: Adopt new chapter.

SUBSTANCE OF PROPOSED ACTION: The Commissioner of Insurance is proposing to adopt a new chapter to set forth the details necessary to implement criminal history background checks for title insurance agents.

TIME, PLACE, MANNER OF PRESENTING VIEWS: Interested persons may submit data, views, or arguments in writing at any time prior to the date stated below to the Alabama Department of Insurance, Attention: Legal Division, Post Office Box 303351, Montgomery, Alabama 36130-3351, or orally by appearing at the public hearing, Suite 502, RSA Tower, 201 Monroe Street, Montgomery, Alabama, beginning at 10:00 AM, August 6, 2014.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:
October 16, 2014

CONTACT PERSON AT AGENCY: Reyn Norman
General Counsel


Jim L. Ridling
Commissioner of Insurance

**ECONOMIC IMPACT STATEMENT
FOR APA RULE
(Section 41-22-23(f))**

Control 482 Department or Agency Department of Insurance

Rule No. Chapter 482-1-158

Rule Title: Criminal History Background Checks for Title
Insurance Agents

New Amend Repeal Adopt by Reference

This rule has no economic impact.

This rule has an economic impact, as explained below:

1. NEED/EXPECTED BENEFIT OF RULE:

Preventing convicted felons from becoming licensed as Title insurance agents.

2. COSTS/BENEFITS OF RULE AND WHY RULE IS THE MOST EFFECTIVE, EFFICIENT, AND FEASIBLE MEANS FOR ALLOCATING RESOURCES AND ACHIEVING THE STATED PURPOSE:

Expected cost is less than \$50 per person, of which \$41.50 goes to DPS/FBI.

3. EFFECT OF THIS RULE ON COMPETITION:

Applicable to all new licensees, thus should have no effect on competition.

4. EFFECT OF THIS RULE ON COST-OF-LIVING AND DOING BUSINESS IN THE GEOGRAPHICAL AREA WHERE THE RULE IS TO BE IMPLEMENTED:

Adds a one-time cost less than \$50 to new licensees seeking to become licensed as title insurance agents.

5. EFFECT OF THIS RULE ON EMPLOYMENT IN THE GEOGRAPHICAL AREA WHERE THE RULE IS TO BE IMPLEMENTED:

Should have no effect other than to prevent convicted felons from becoming licensed.
6. SOURCE OF REVENUE TO BE USED FOR IMPLEMENTING AND ENFORCING THIS RULE:

Applicants for title insurance agent license.
7. THE SHORT-TERM/LONG-TERM ECONOMIC IMPACT OF THIS RULE ON AFFECTED PERSONS, INCLUDING ANALYSIS OF PERSONS WHO WILL BEAR THE COSTS AND THOSE WHO WILL BENEFIT FROM THIS RULE:

Adds a one-time cost less than \$50 to new licensees seeking to become licensed as title insurance agents.
8. UNCERTAINTIES ASSOCIATED WITH THE ESTIMATED BENEFITS AND BURDENS OF THE RULE, INCLUDING QUALITATIVE/QUANTITATIVE BENEFITS AND BURDEN COMPARISON:

None known.
9. THE EFFECT OF THIS RULE ON THE ENVIRONMENT AND PUBLIC HEALTH:

None.
10. DETRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH IF THE RULE IS NOT IMPLEMENTED:

None.

****Additional pages may be used if needed.**

1 **ALABAMA DEPARTMENT OF INSURANCE**
2 **INSURANCE REGULATION**

3
4
5 **CHAPTER 482-1-158**

6
7
8 **CRIMINAL HISTORY BACKGROUND CHECKS**
9 **FOR TITLE INSURANCE AGENTS**

10 **Table of Contents**

	Page
11	
12	
13	
14	
15 482-1-158-.01 Purpose, Scope, and Authority.	2
16 482-1-158-.02 Criminal History Background Checks.	2
17 482-1-158-.03 Severability and Effective Date.	3
18	

1 **482-1-158-.01 Purpose, Scope, and Authority.**

2 (1) The purpose of this chapter is to set forth rules the
3 Commissioner deems necessary to carry out the provisions of
4 Ala. Code § 27-25-4.6 (2014), relating to conducting a
5 criminal history background check on all applicants for
6 license as title insurance agent.

7 (2) This chapter shall apply to all individuals applying
8 for an initial license as title insurance agent.

9 (3) This chapter is adopted pursuant to Ala. Code §§
10 27-2-17 (1975) and 27-25-4.6 (2014).

11 Author: Commissioner of Insurance
12 Statutory Authority: Ala. Code §§ 27-2-17 (1975), 27-25-4.6
13 (2014)
14 History: New _____, 2014, Effective January 1, 2015

15 **482-1-129-.02 Criminal History Background Check.**

16 (1) Any individual submitting an applicable application
17 for license shall be required to be fingerprinted by the
18 approved third party contractor designated by the Alabama
19 Department of Insurance, submit the required nonrefundable and
20 nontransferable fee, and authorize the Alabama Department of
21 Public Safety to conduct a criminal history background check

1 and allow the release of any criminal history information to
2 the Alabama Department of Insurance.

3 (2) Specific instructions for complying with this
4 requirement will be provided on the Department's Web page.

5 Author: Commissioner of Insurance
6 Statutory Authority: Code of Alabama 1975, §§ 27-2-17, 27-7-
7 4.4, and 27-9A-17
8 History: New _____, 2014, Effective January 1, 2015

9 **482-1-158-.03 Severability and Effective Date.**

10 (1) If any rule or portion of a rule or its applicability
11 to any person or circumstance is held invalid by any court,
12 the remainder of this chapter or the applicability of the
13 provision to other persons or circumstances shall not be
14 affected.

15 (2) This chapter shall become effective January 1, 2015,
16 upon its approval by the Commissioner of Insurance and upon
17 its having been on file with the Legislative Reference Service
18 for 35 days, subject to review by the Joint Committee on
19 Administrative Regulation Review.

20 Author: Commissioner of Insurance
21 Statutory Authority: Ala. Code §§ 27-2-17 (1975), 27-7-4.4 &
22 27-9A-17 (2014)
23 History: New _____, 2014, Effective January 1, 2015