

**STATE OF ALASKA  
DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT  
DIVISION OF INSURANCE  
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This document is for informational purposes only and is not intended to be an exhaustive or interpretive analysis of statutory changes to the insurance code. Please review the insurance laws in their entirety to assure your compliance when transacting Alaska insurance business.

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## **1. LICENSE REQUIREMENTS**

Who needs to be licensed?

Any person who sells, solicits, or negotiates insurance in this state for any kind or line of insurance must be licensed for that line of authority in accordance with Alaska law.

## **2. ADJUSTER LICENSE REQUIREMENTS**

Must an employee of an admitted insurer who adjusts claims be licensed?

If you are a staff adjuster and adjust claims on behalf of your employer, an admitted insurer, you do not need an independent adjuster license.

If I adjust property or casualty claims and am **not** employed by an admitted insurer, do I need to be licensed?

Yes, you need an independent adjuster license.

Do I need a license to act as a public adjuster?

Alaska insurance law does not require licensing of public adjusters or adjusters who handle claims on behalf of an insured, rather than the insurance company. However, while public adjusters are not licensed under the insurance law, licensing may be required under other provisions of Alaska laws. In particular, public adjusting may constitute the practice of law and, therefore, may require a license to practice law depending on the nature and scope of the activities performed in Alaska. See *Christiansen vs. Melinda*, 857, P.2d 345 (Alaska 1993) (addressing the “practice of law” for civil and criminal purposes).

Do I need a special, additional license to adjust workers’ compensation claims?

No, a person adjusting workers’ compensation claims may do so under the person’s independent adjuster license.

If I am not licensed in my home state as an independent adjuster, can I obtain an adjuster’s license on a reciprocal basis by qualifying for licensure using another state’s license for my qualification?

No, to grant a person a reciprocal adjuster license, the person must be licensed in their home state as an independent adjuster.

### 3. LICENSE EXEMPTIONS

The following categories or activities **do not require an Alaskan insurance license** under the conditions listed:

#### Group Plans

No license required **if** a person is employed on salary or hourly wage by a person licensed under Alaska Statute (AS) 21.27 to sell group insurance and **only** secures and forwards information, issues certificates, or otherwise assists in administering the group plans and **does not** receive a commission for performing administrative services related to group life insurance, group property and casualty insurance, group annuities, group or blanket accident and health insurance; enrolling individuals or issuing certificates under the above-listed group plans; or performing administrative services related to mass-marketed property and casualty insurance. The plan must be a true group insurance plan in which an employer sponsors the plan and the employees are provided the option of enrolling in that plan. **But**, if the person sells, solicits, or negotiates insurance coverage **in addition** to the group benefits offered by the employer, the person must have an insurance producer license.

#### Multi-State Commercial Risks

No license required **if** a person is not a resident of Alaska and sells, solicits, or negotiates a contract of insurance for commercial property and casualty risks to an insured with risks located in more than one state insured under that contract, **and** if that person is licensed as an insurance producer in the state where the insured maintains its principal place of business and the contract of insurance covers risk located in that state.

## Insurance Consultant

Alaska does not issue licenses to consultants. **But** a person acting in the capacity of a consultant and whose consultation leads to the placement of insurance must have an insurance license. A person who is acting as an agent or consultant for an insured (as a broker) does not need an appointment.

## General Agent who receives override commissions

No license required **if** a general agent receives **only** a commission override for business produced by persons the general agent solicited as producers and the general agent has no involvement in the sale, solicitation, or negotiation of insurance. **But** a general agent who has direct contact with a client or receives applications or receives premiums must obtain a license and company appointment as that general agent would be selling, soliciting, or negotiating insurance.

## Licensee Customer Service Representatives

No license is required **if** a person is employed on salary or hourly wage by a person licensed under **AS 21.27 solely** for the performance of accounting, clerical, stenographic, and similar office duties.

## Company Customer Service Representatives

No license required **if** an employee of an insurance company who provides customer service is not directly compensated based on the volume of premiums that may result from the services performed by that person and the person **does not** transact insurance.

## Officer, Director, or Employee of an Admitted Insurer

No license required **if** an officer, director, or employee of an insurance company **does not** receive a commission on policies written or sold if the person's functions are executive, administrative, managerial, clerical, or a combination of these and are **only indirectly** related to the transaction of insurance; relate to underwriting or loss control; or are in the capacity of an agency supervisor where the activities are limited to providing technical assistance to insurance producers and whose activities **do not** include transacting insurance.

## Risk Managers

No license required **if** a risk manager is a salaried full-time employee who only counsels or advises the risk manager's employer regarding the insurance interests of the employer or of a subsidiary or business affiliate of the employer **and** the risk manager does not sell or solicit insurance or receive a commission.

## Advertising

No license required **if** a person's activities in this state are limited to advertising without the intent to solicit insurance in this state through communications in printed publications or other forms of electronic mass media (Internet), whose distribution is not limited to residents of this state, **as long as** the person is not selling, soliciting, or negotiating insurance in this state.

## Group "Credit" Insurance

Some insurers have filed their credit insurance programs as a "group" insurance product in which a master policy is issued to the lending institution and the consumers that are sold credit insurance are issued a participating certificate rather than an original policy.

This concept **does not** qualify for the “enrollment of benefits in a group plan” exemption as there is no employer-employee relationship between the lender and the borrower and the exemption was intended **only** for a true group enrollment in a plan sponsored by an employer on behalf of its employees.

#### 4. LICENSE APPLICATIONS

What applications may I use?

Residents and Nonresidents – We accept the National Association of Insurance Commissioners (NAIC) Uniform Application for residents and nonresidents. If this form is submitted for a firm license, **both** the firm (Business Entity) application and the individual application for the designated responsible person (compliance officer) must be filed with our office.

Residents – For persons seeking licensure for an adjuster, trainee adjuster, title, managing general agent, reinsurance intermediary broker, reinsurance intermediary manager, viatical settlement provider, viatical settlement representative, or viatical settlement broker, state specific application forms must be filed. Alaska **Form 08-240** (individuals or individuals working in a firm) or **Form 08-241** (firms).

Do any of the applications for a license need to be notarized?

No.

How do I obtain a license application?

You may download and print any of the NAIC uniform applications or state specific applications from our website: <http://www.commerce.state.ak.us/insurance/producerinfo.htm>. You may also contact our office by e-mailing us at: [insurance@alaska.gov](mailto:insurance@alaska.gov) or by faxing your request to our office at (907) 465-2816.

The NAIC uniform applications may be accessed from the National Insurance Producer Registry (NIPR) at: <http://www.nipr.com> and from the division’s website.

Does Alaska accept electronic license applications?

Nonresidents only – Yes, electronic applications for first time nonresident producer authority applicants are accepted through the National Insurance Producer Registry (NIPR) at: <http://www.nipr.com/gateway.htm#>. Applications may also be submitted electronically through one of NIPR’s authorized business partners at: <http://www.nipr.com/gateway.htm>.

The current NIPR authorized business partners are:

1. American Education Systems, LC – (800) 775-6339
2. CT Insurance Services – (866) 236-4149
3. Cumberland Licensing Corporation – (401) 333-4805
4. Insurance Licensing Services of America, Inc. – (254) 729-8002
5. KAPLAN Financial – (800) 428-0465
6. Kennedy Licensing Service, Inc. – (214) 855-0737 (ext. 11)
7. nomoreforms – (800) 686-8279
8. Sircon Corporation – (877) 876-4450
9. Systeme Software, Inc. – (215) 258-5217
10. Thomson Prometric – (800) 768-3926 (ext. 7518)

For a current listing of NIPR business partners, please see the NIPR's website at:  
<http://www.nipr.com/gateway.htm#>.

Residents: We are working with NIPR to develop the programming necessary to accept and process resident electronic license applications. We hope to be able to accept electronic applications for residents in late 2008.

What vendor should I use?

The division does not endorse or recommend any particular vendor.

What is the payment process if I apply electronically?

Nonresident individuals and business entities (firms) may apply and pay for their nonresident license directly through NIPR or through one of NIPR's authorized business partners. Payment for the Alaska application fees and the vendor's service fee will be collected by credit card.

Can I reinstate my lapsed license electronically?

No, not at this time.

Can I apply for a Surplus Lines Producer License or a Limited Line License electronically?

No. At this time, application can only be made for a person that has not held an Alaska license and is seeking licensure as a producer with any of the six major lines of authority: Life, Accident & Health or sickness, Property, Casualty, Personal Lines, or Variable Life/Variable Annuity.

How will I know if my electronic application was complete?

If the application of a nonresident who applies electronically is complete, the applicant will receive electronic notification of license approval.

What if additional information is needed for my electronic application?

If additional information is needed, the applicant or authorized submitter will be notified electronically of the deficiency.

How can I check to see when my license has actually been issued?

At any time after a license is issued, a person may research the status of a license on the division's website at:  
<http://www.commerce.state.ak.us/insurance/apps/producersearch/InsLicStart.cfm>.

Does my application need to be submitted to a sponsoring insurer?

No, applications and fees should be sent directly to our office at:

Mailing Address

Division of Insurance  
P.O. Box 110805  
Juneau, AK 99811-0805  
(907) 465-2515

Physical Address

Division of Insurance  
333 Willoughby Avenue, 9th Floor  
Juneau, AK 99811-0805  
(907) 465-2515

Is there a time period in which I must complete all license application requirements?

If all filing requirements to obtain your license are not met within 180 days (4 months), the application will be considered withdrawn.

## 5. APPLICATION FEES

What are the application fees?

Residents and Nonresidents – To determine the appropriate application fee, please check the fee schedule for the type and class of license you are seeking at: <http://www.commerce.state.ak.us/insurance/pub/08-214.pdf> All required fees must accompany your application.

Pro-ration of Application Fees for Individuals – Fees are pro-rated based on the class and type of license an individual is seeking and the individual's first renewal date. Individual licenses expire on the person's birth date, on the odd or even year of birth, every two years. If the licensee was born on 03/24/1978, their expiration date would be 3/24 every even year.

## 6. OTHER LICENSE REQUIREMENTS

### Fiduciary Account Requirements

A licensee has a fiduciary responsibility for the money the licensee collects for premium taxes and fees, premiums, or return premiums and the money must be accounted for promptly and paid to the appropriate party. **AS 21.27.360**

### Bonds

Insurance Producers – Effective January 1, 2002, an insurance producer acting as a broker or collecting insurance premiums is no longer required to file and maintain a \$10,000 bond.

Surplus Lines Brokers – As of January 1, 2002, a surplus lines broker is no longer required to maintain a bond in any amount unless the director by regulation requires a bond in a particular amount.

### Limited Title Producer Licenses

A requirement to hold a limited title producer license is to have the sole purpose to be appointed by and act on behalf of a title insurer. Although an appointment is no longer filed with our office, an insurer and producer are required to maintain a list of all their appointments and must be able to respond within three days to an inquiry made by the director regarding the appointment.

### Fingerprint Requirement

A resident applying for an insurance license is required to submit one fingerprint card to the division in order that state and national criminal background checks on the applicant can be performed.

Who performs the Background Checks?

A state criminal record check is performed by the Department of Public Safety and the Federal Bureau of Investigation performs a national criminal background check.

Why is electronic fingerprinting being required?

There are several reasons that an electronic fingerprinting requirement has been implemented. The primary reason is that electronic fingerprinting involves live-scan imaging, which substantially reduces the rejection rate for bad fingerprints that occur using the wet-ink method. Electronic fingerprinting also provides a convenience to successful candidates who can immediately obtain their prints for their application. Additionally, electronic fingerprinting supports the division's continuing efforts to streamline application-filing processes using current technology methods as we continue our transition to an automated environment.

Who provides electronic fingerprinting services?

The division has contracted with our examination vendor, Promissor, Inc., to provide the ability for a person to obtain electronic fingerprints.

Why are Anchorage candidates the only candidates that can utilize electronic fingerprinting at this time?

Because the Anchorage testing location is the only facility that has the hardware on site to scan fingerprints in an electronic environment.

What is the electronic fingerprinting process for Anchorage candidates to follow?

After a person has successfully passed the scheduled examination(s), the candidate will have their fingerprints taken. Anchorage candidates also receive one paper fingerprint card that must be submitted to the division with their application.

What do I do with the paper fingerprint card that I receive from Promissor?

The one paper fingerprint card received **MUST BE INCLUDED WITH THE APPLICATION PACKET** submitted to the division to obtain licensure.

What is the fingerprint process for Non-Anchorage Candidates?

One paper fingerprint card must be submitted to our office with the application paperwork.

What is the fee for electronic fingerprinting?

All candidates will pay a fingerprint administrative processing fee of \$15.

What if I do not pass the examination?

For those candidates who are unsuccessful in passing the examination and require retesting, the \$15 fingerprint administrative fee will not be charged.

When are fingerprints required?

Fingerprints are required for all applicants seeking:

- initial licensure;
- reinstating a cancelled license;
- reinstating a lapsed license after six months from lapse date and
- converting from nonresident to resident status.

## 7. PROCESSING TIME

What is your turnaround time for processing a new license application?

Our goal is to process a completed paper application, submitted with all necessary fees and forms, within 10 business days from the date the division receives the application. Delays occur if your application is incomplete or requires additional consideration. You can check our website at:

<http://www.commerce.state.ak.us/insurance/apps/producersearch/InsLicStart.cfm>, to see if your license has been issued. You will be notified of any application deficiencies by a fax sent to you at the fax number on your application.

Non-resident applicants applying successfully electronically should have a license issued within approximately 24 hours.

## 8. TYPES OF LICENSES

What types of licenses does the division issue?

Individual – a natural person required to be licensed under [AS 21.27.010](#).

Individual in a Firm – a natural person required to be licensed under [AS 21.27.010](#) who is employed by a firm.

Compliance Officer – a licensee under [AS 21.27](#) who is responsible for a firm's compliance with Alaska insurance laws

Firm – a corporation, association, partnership, limited liability company, limited liability partnership, or other legal entity.

## 9. LINES OF AUTHORITY

Under what lines of authority does the division issue licenses?

Eight lines of authority have been established that are consistent with those listed in the NAIC Producer License Model Act and the division issues a qualified applicant a license for one or more of the lines of insurance coverage. [AS 21.27.115](#)

Life insurance coverage – on natural persons, includes benefits of endowment and annuities; and may include benefits in the event of death or dismemberment by accident and benefits for disability income. [AS 21.27.115\(1\)](#)

Health insurance coverage – for sickness, bodily injury, or accidental death, and may include benefits for disability income. [AS 21.27.115\(2\)](#)

Property insurance coverage – for the direct or consequential loss for damage to property of every kind. [AS 21.27.115\(3\)](#)

Casualty insurance coverage – against legal liability, including that for death, injury, or disability or damage to real or personal property, including surety insurance as defined in [AS 21.12.080](#). [AS 21.27.115\(4\)](#).

Variable life and variable annuity products insurance coverage. [AS 21.27.115\(5\)](#)

Personal lines property and casualty insurance coverage sold to individuals and families for primarily noncommercial purposes. [AS 21.27.115\(6\)](#)

Credit insurance – includes credit life, credit disability, credit property, credit unemployment, involuntary unemployment, mortgage life, mortgage guaranty, mortgage disability, guaranteed automobile protection insurance, and any other form of insurance offered in connection with an extension of credit that is limited to partially or wholly extinguishing that credit obligation that the director of insurance determines must be designated a form of limited lines credit insurance. [AS 21.27.900\(17\)](#)

Crop insurance – includes crop insurance coverage for damage to crops from unfavorable weather conditions, fire or lightning, flood, hail, insect infestation, disease, or other yield-reducing conditions or perils provided by the private insurance market, or that is subsidized by the Federal Crop Insurance Corporation, including multiperil crop insurance. [AS 21.27.115\(8\)](#)

Surety insurance – includes surety insurance as defined in [AS 21.12.080](#). [AS 21.27.115\(9\)](#) and [AS 21.12.080](#).

Limited lines – any insurance for which a limited lines license may be issued under [AS 21.27.150](#). Effective July 1, 2004, limited lines insurance authority has been expanded to include crop and surety insurance authority. These lines of authority were added for consistency with national standards. [AS 21.27.115](#)

What if I am a nonresident and you do not offer the limited line of authority under which I am licensed?

Under Alaska law, the director may issue to a nonresident a limited lines producer license granting the same scope of authority as the license issued by the producer's home state. For example, if you are a resident producer in Delaware and hold a license to sell Long Term Care Insurance in Delaware and you apply for that same line of authority in Alaska as a nonresident producer, we can issue you a limited lines producer license for Long Term Care Insurance. [AS 21.27.270](#)

## **10. RESIDENT PRODUCER LICENSING**

Do I need to reside in Alaska to hold a resident producer license?

Yes.

How do I become licensed as resident Alaska insurance producer for the first time?

If you have not been previously licensed, you will need to take insurance exams for those lines of authority you wish to transact. (Test information is available from Promissor at: <http://www.promissor.com/>) Upon passing the required exams, you will need to submit a resident producer license application available from our website at: <http://www.commerce.state.ak.us/insurance/license.htm> with the appropriate fee and other requirements listed in Section 6 of this document.

If I move to Alaska and have been licensed in another state, what insurance exams must I take?

If you held a license as a resident in another state and, within 90 days from the date you terminated that license and apply for a license for the same lines of authority that you held, no exams are required. If you wish to become licensed for additional lines of authority, you will need to take the exams required for those lines of authority. A Letter of Clearance is only required when we are unable to verify your change in resident state through the NAIC State Producer Licensing Database.

If I move to Alaska from another state and hold an active nonresident Alaska license, how do I apply for a resident license?

You must notify our office by completing all the requirements listed in Section 6 of [Change Form 08-1245](#), which includes submitting one fingerprint card and a \$54.25 fingerprint evaluation fee made payable to the State of Alaska. See Section 5 for additional information on our fingerprint requirements. Notification of your change in residency must be filed within 30 days of the date your change in resident state occurred.

## 11. PRE-LICENSE EDUCATION

Do I need to complete any particular education requirements before becoming licensed?

No, you just need to pass the appropriate insurance licensing exam.

## 12. EXAMINATION INFORMATION

How do I schedule an insurance licensing exam?

Contact our testing vendor, Promissor, at (800) 274-5993, or visit their website at: <http://www.promissor.com/>

How long are my examination results valid?

The results are valid for one year from the date the test is taken. If your license lapses or is canceled, you must retake the examination **if** you do not reinstate it within one year.

What are the examination requirements to become licensed for the following:

- Insurance Producer – Part I and II for each line of authority for which you wish to become licensed
- Personal Lines – Part I and II of the personal lines examination
- Independent Adjuster – adjuster examination
- Surplus Lines Broker – surplus lines broker examination
- Managing General Agent – managing general agent examination
- Reinsurance Intermediary Manager – reinsurance intermediary manager examination
- Reinsurance Intermediary Broker – reinsurance intermediary broker examination
- Limited Lines Credit – credit examination
- Limited Lines Motor Vehicle Rental – no examination required
- Limited Lines Bail Bonds – bail bond examination
- Limited Lines Title – title examination
- Limited Lines Travel – no examination required

Additional examination information is available in the online Candidate's handbook at: <http://www.asisvcs.com/publications/pdf/122200.pdf>.

What is "Part I" of the examination?

Part I examines the general product knowledge of a particular line of authority for which a person is seeking licensure.

What is "Part II" of the examination?

Part II examines a candidate's knowledge of the insurance laws and regulations of Alaska.

### 13. NONRESIDENT PRODUCER LICENSING

How do I qualify for a nonresident producer license?

You must be licensed and in good standing in your home state as a resident licensee for the lines and class of authority for which you are seeking licensure here, and submit the appropriate application and fee. We will verify your licensing status, your lines of authority, and any administrative actions taken against you by accessing the NAIC State Producer Licensing Database (SPLD) online. If we are unable to verify licensure, you will be requested to obtain and submit a Certificate of License Status. You may complete the NAIC Uniform Individual Application, which is available from the National Insurance Producer Registry (NIPR) at: <http://www.nipr.com> or you may apply electronically as set out in Section 4. Alaska law does not require a person to be sponsored by an insurance company.

#### Home State

“Home state” is defined in [AS 21.27.900](#) and reads, “home state” means the District of Columbia or a state, or territory of the United States in which an insurance producer maintains the producers principal place of residence or principal place of business and is licensed to act as an insurance producer.

Do I need to provide a license certification from my home state?

No, we will verify your licensing status, your lines of authority, and any administrative actions taken against you by accessing the NAIC State Producer Licensing Database (SPLD) online. Only if we are unable to verify licensure will you be requested to obtain and submit a Certificate of License Status that has been issued within 90 days by the home state.

### 14. APPOINTMENTS AND TERMINATIONS

See Bulletin [B05-08](#) for additional information regarding appointments and terminations at: <http://www.commerce.state.ak.us/insurance/bulletins/05-08.htm>.

Does Alaska require producers to be appointed by insurers?

No filing of an appointment is required. However, a person is not required to have an appointment before becoming licensed in this state. Within 30 days of the date a licensee signs a contract to represent an insurance company or submits an application for a policy to the insurance company or 10 days before the proposed effective date of the appointment, the licensee must have an appointment from that insurance company in place.

Do the insurers that I represent need to file an appointment with the division?

No, effective June 24, 2005, the statutory requirement for insurers or managing general agents to **file** company appointments with our office was eliminated.

What is an agent of an insurer?

An agent of an insurer is any insurance producer, Managing General Agent (MGA), or Reinsurance Intermediary Manager (RIM) who acts as an agent or represents to be in a contractual relationship with an admitted insurer and sells, solicits, or negotiates any insurance product of that insurer. Such an agent must hold an appointment with that insurer.

What is an agent of the insured?

An agent of the insured, also known as a broker, represents the customer, **not** the insurance company. A licensee may receive both a fee and commission when acting as an agent of the insured. Guidance is also provided in Bulletin [04-14](#). Any producer who acts as a broker in a transaction is required to execute a written agreement with the client or insured, disclosing the responsibilities of each party as well as the compensation arrangement. See [AS 21.27.560](#). Guidance is also provided in Bulletin [04-14](#). A producer acting as a broker does not need to hold an appointment with the insurer for the brokered transaction.

May I broker property or casualty insurance with a producer license?

Yes, as long as you have a fully executed, written contract that complies with [AS 21.27.560](#) and discloses the responsibilities of each party, and the compensation arrangement between the parties.

If I lose my last appointment, will my license be canceled?

No, but you may no longer transact insurance business for any company that has terminated you.

Do I have to be appointed if I act as the agent or general agent of an insurer?

While the requirement for insurers and managing general agents to **file** appointments with our office was eliminated, insurers and managing general agents (MGAs), are required to maintain a list of all of their appointments, and must be able to respond within three working days to an inquiry made by the director regarding an appointment. This requirement also applies to producers acting as an agent of an insurer.

How long is an appointment effective?

An appointment continues in force until the appointment is terminated in writing by the insurer, reinsurer or authorized representative.

How can an appointment be verified?

No. You must contact the insurer, reinsurer, or authorized representative to verify whether an appointment has been processed. Since the appointment **filing** requirement was eliminated on June 24, 2005, we do not maintain any record of appointments.

If the division requests that I provide a listing of my appointments, how many days do I have to respond?

An insurer, managing general agent or insurance producer is required to respond in writing within three working days to an inquiry made by the director.

Who is the insurer to notify for “For Cause” Termination?

An insurer must notify the director if the termination was initiated for conduct or activity identified in [AS 21.27.410](#) during the period of appointment.

Can a licensee provide information to the director for a “For Cause” Termination?

Yes, within 30 days after the appointee receives notification of the “For Cause” Termination, the appointee may file written comments concerning the substance of the notification and must provide a copy of the comments to the insurer, reinsurer, or authorized representative.

What information must be disclosed in a “For Cause” Termination?

The notice of termination must include the reasons for the termination.

Is the statement submitted with the termination confidential?

Yes, the statement of the reasons for termination is confidential and not subject to inspection and copying under AS 40.25.110.

Can the statement of reasons for termination be admitted as evidence in a civil action or administrative proceeding against the insurer, reinsurer, or authorized representative?

No, the statement may not be used, except when the action or proceeding involves perjury, unsworn falsification in the second degree, fraud, or failure to comply with this subsection (AS 21.27.110).

Does Alaska accept appointments electronically?

No, the appointment **filing** requirement was eliminated effective June 24, 2005, appointments cannot be filed electronically.

I am licensed as an individual working in a firm, do I need an appointment?

The appointment of a firm extends to all individuals licensed in affiliation with the firm.

Multiple locations of our firm transact Alaska insurance; does each location have to be appointed?

A business entity with multiple locations, that transacts Alaska insurance and shares the same FEIN, does not have to be separately appointed.

Do the insurers that I represent need to file a Termination of Appointment with the division?

The requirement for an insurer, reinsurer, or authorized representative to file a Termination of an Appointment with the division was eliminated effective June 24, 2005, **unless** the appointment is terminated because the appointee has engaged in an activity identified in AS 21.27.410. A “For Cause Termination” must be filed using a “For Cause” Termination Form 08-250, along with the documentation set out in AS 21.27.110.

How soon must an insurer notify the division of a “For Cause” Termination?

The division must be notified promptly of “For Cause” Termination as set out in AS 21.27.110(b) As well, the reason for the termination must be provided.

How soon must an insurer notify a licensee of a “For Cause” Termination?

Within 15 days after providing notification to the division, an insurer, reinsurer, or authorized representative must mail a copy of “For Cause” Termination to the licensee at the last address on record with the insurer, reinsurer, or authorized representative by certified mail, return receipt requested, postage prepaid, or by overnight delivery using a nationally recognized mail carrier.

Can a licensee respond to a “For Cause” Termination?

Within 30 days after the licensee receives notification, the licensee may file written comments with the division. The licensee must provide a copy of the written comments to the insurer, reinsurer, or authorized representative.

Is an insurance company required to notify the licensee of its termination?

Yes, the insurer must notify the licensee in writing of its termination of appointment.

## **15. DEFINITIONS**

For definitions applicable to producers, third party administrators, adjusters, and managers (AS 21.27), see AS 21.27.900.

For definitions applicable to viatical settlement transactions, see AS 21.89.110.

For definitions applicable to the entire insurance title (AS 21), see AS 21.90.900.

## **16. BUSINESS ENTITY (FIRM) LICENSING**

Does my firm need to be licensed?

See the definition of “firm” in AS 21.27.900 to determine whether a firm license is required.

How do I apply for a firm license?

You may submit the NAIC Business Entity License Application. First-time nonresident firm applicants may apply electronically through the NIPR, please see information in Section 4. Nonresident applicants may submit a paper National Association of Insurance Commissioners (NAIC) Nonresident Uniform Business Entity Application. Click here to obtain the Alaska Business Entity producer license application at: <http://www.commerce.state.ak.us/insurance/license.htm>, or you may click here to obtain the NAIC Nonresident Uniform Business Entity Application at: <http://www.nipr.com>.

Does the firm need to be appointed by each insurer it or its producers represent as an agent?

Yes.

Does a business entity that transacts business at more than one location under the same Federal Employer Identification Number (FEIN) need to get an insurance license for each location?

No, effective June 24, 2005, a firm transacting business from more than one location must only license one location. If an entity that transacts insurance at multiple locations does not share the same FEIN, separate licensure is required.

Does a firm need to have producers affiliated with it?

A firm must have at least one licensed individual who is responsible for the firm’s compliance with Alaska’s insurance laws (the firm’s compliance officer). Any producer who represents a firm in this state must hold an individual license in affiliation with the firm. The firm’s license does not authorize individuals who have not obtained an Alaska license to sell, solicit, or negotiate insurance.

Can a licensee be affiliated with more than one firm?

Yes.

## 17. LIMITED LINES LICENSEES

As indicated in Section 9 of this document and under [AS 21.27.150](#), Alaska offers limited lines licenses.

### Limited Lines Title Insurance Producer

What are the requirements for this license?

Producer licenses for **title insurance** are issued to **residents** only. To apply for such a license, submit either NAIC Individual Uniform application (individual working in a firm) or [08-219](#) (firm) as appropriate, along with all the necessary requirements, which include passing exam results.

Guidance is provided in Bulletin 03-13 with respect to functions that require licensure.

Is an officer or salaried employee of a title insurer required to obtain a limited title producer license if the officer or employee transacts business?

Yes, any officer or salaried employee of a title insurer must hold a limited title producer license.

### Travel, Bail Bond, Motor Vehicle Rental Agency, Crop, Surety, and Credit Limited Lines Insurance Producer

What are the requirements for these licenses?

Each of these limited lines licenses are available to **residents** and **nonresidents**.

For a **resident** limited lines license, must I submit passing exam results?

Yes, if you are applying for a title, bail bond, crop, surety, and limited lines credit license. No, if you are applying for motor vehicle rental agency or travel licenses. See Section 13 of this document.

Upon renewal of a **resident** limited lines license must I comply with continuing education (CE) requirements?

Yes, if you are renewing a title, bail bond, crop, surety, or limited lines credit license. See Section 19 of this document. No, if you are renewing a motor vehicle rental agency or travel license. The division has proposed regulations that would eliminate CE requirements if the regulation is adopted. Please check with our office on the status of these regulations and this requirement.

Do employees of a **motor vehicle rental agency** limited lines license need a separate insurance license in order to transact insurance business at the agency?

No. See [AS 21.27.150](#).

What must an employee of a motor vehicle rental agency do to be permitted to transact insurance business for the motor vehicle rental agency?

Under [AS 21.27.150\(a\)\(4\)\(D\)](#), a person must notify the director in writing, within 30 days of employment, of the name, date of birth, social security number, location of employment, and home address of an employee authorized by the licensee to transact insurance on the licensee's behalf. This information may be submitted on Form [08-213](#).

## 18. LICENSE RENEWALS

When does my license renew?

An individual license expires on that individual's birth date every other odd/even year. For example, an individual born on 2/13/1969 would have a license expiration date of 2/13 every odd year and an individual who on 2/13/1972 would have a license expiration date of 2/13 every even year.

Firm licenses expire two years from the original date of issuance. For example, a firm initially licensed on 4/4/2000, would have a license expiration date of 4/4 every even year.

How do I renew my license?

The division sends each licensee a renewal form approximately 60 days before the expiration date of the license. A resident licensee needing to meet the CE requirements must attest to the CE credits claimed on the renewal form in addition to paying the renewal fee.

Can I renew my license electronically?

Nonresidents may renew their producer license electronically within 60 days of their license expiration date at: <http://www.nipr.com/>.

Residents: the division is currently working on implementing electronic license renewals. We anticipate implementation of electronic license renewals for nonresidents by 2009.

How do I obtain a duplicate renewal?

A duplicate renewal may be obtained by e-mailing, faxing or calling us with your request. You may:

- fax your request to: (907) 465-2816;
- email your request to: [insurance@alaska.gov](mailto:insurance@alaska.gov); or
- call in your request to: (907) 465-2020.

How long will it take to receive a duplicate renewal?

While a duplicate renewal can be generated the same day of your request, if we are unable to generate your duplicate renewal the day your request is received, we will try to generate the duplicate renewal within 24 hours.

Can I pay my renewal fee electronically?

At this time, electronic payment (credit cards) cannot be accepted.

As a nonresident licensee, is a Certificate of License Status required to be submitted to renew my license?

A Certificate of License Status is **only** required when we are unable to verify you're the license authority held in your home state through the NAIC State Producer Licensing Database.

What if I am on active military duty and unable to renew my license?

The Director will extend your renewal or permit an authorized representative to renew your license.

## 19. CONTINUING EDUCATION

Who must comply with Alaska Continuing Education (CE) requirements?

Resident licensees only. Nonresident licensees need to fulfill the CE requirements of their home state. License renewal of a temporary license under [AS 21.27.390](#); of a limited lines travel or motor vehicle rental license; or a license first issued before January 1, 1980 **are exempt** from our CE requirements. See [AS 21.27.020](#) and [3 AAC 23.100 – 3 AAC 23.170](#). Click here for CE requirements: <http://www.commerce.state.ak.us/insurance/coned.htm>. Regulations proposed in July 2007, have recommended eliminating the CE requirement for limited lines licenses. This change would occur only if the regulations are adopted.

How do I obtain a list of approved CE courses?

The division does not currently pre-approve CE courses or track courses that are offered in this state.

How does the division know if the CE requirements a licensee provides are acceptable?

The division, through a CE Advisory Committee, periodically performs audits of randomly selected licensees.

How will I know if I have been selected to be audited?

The division will notify those licensees to be audited after their licenses have been renewed.

What must I do if I am audited?

Within 30 days of the date of the notice that you are being audited, you must submit documentation to support all CE credit hours you claimed for the period being audited. Such documentation could include work notes and papers, a time journal, a certificate of completion of a self-study course, or a certificate of completion of a course, seminar, or other program of learning that you attended. Bulletin B99-10, <http://www.commerce.state.ak.us/insurance/bulletins/99-10.htm>

Where can I find the CE Regulations?

You can access the CE Regulations from our website at: <http://www.commerce.state.ak.us/insurance/regs.htm>

Is there a Frequently Asked Questions document for CE?

You may find answers to questions that we frequently receive at: [http://www.commerce.state.ak.us/insurance/pub/FAQ\\_CE.pdf](http://www.commerce.state.ak.us/insurance/pub/FAQ_CE.pdf). Please review bulletins 99-10, 96-10, and 98-02 which can be found at: <http://www.commerce.state.ak.us/insurance/producerinfo.htm>.

Where can I find a duplicate CE Reporting form?

You can print a duplicate CE Reporting Form from our website at:  
<http://www.commerce.state.ak.us/insurance/pub/ce-rpt3.pdf>.

## 20. LICENSE TERMINATION OR LAPSE

### Residents

If my license lapses or is cancelled must I retake the exam in order to have my license reinstated?

Only if you don't reactivate your license within one year of the lapse or cancellation date.

Will my license lapse or be cancelled if I don't complete my CE requirements and submit the information to the division?

Yes.

What do I need to do if I cancelled my license and wish to reactivate it?

In order to reactivate a cancelled license, a new application and all application requirements must be submitted. You may also be required to comply with CE requirements. See 3 AAC 23.100(B).

### All licensees

Will my license lapse or be canceled if I don't submit all renewal requirements and pay the required fees by the renewal date?

Yes.

If the license of the firm where I work lapses or is canceled, can I continue to transact insurance business?

No. See [AS 21.27.010](#), [21.27.140](#), and [21.27.380\(b\)](#).

If I receive a notice of lapse or pending lapse, how does it affect my license?

You cannot transact insurance business **until** you reinstate your license or the license that resulted in issuance of the pending lapse notice.

How do I reinstate my license?

For reinstatement within six months of the date it lapsed, you must submit:

1. the renewal form and all renewal requirements;
2. a delayed renewal penalty fee; and
3. if required, attestation to the CE credits claimed; and
4. a Business Transaction Form 08-270 (required for all licensees except adjusters) or 08-307 (required for adjusters) indicating whether any Alaska insurance business was transacted during the time the license was not in force; and, if business was transacted, specific information about that business.

For reinstatement over six months but within one year of the date the license was inactivated, you must submit:

1. the appropriate new application form and all requirements listed on the application;
2. if required, attestation to the CE credits claimed;
3. a delayed renewal penalty fee and
4. a Business Transaction Form 08-270 (required for all licensees except adjusters) or 08-307 (required for adjusters) indicating whether any Alaska insurance business was transacted during the time the license was not in force; and, if business was transacted, specific information about that business.

For reinstatement **after** one year from the date the license was inactivated, you must submit:

1. the appropriate new application form and all requirements listed on the application;
2. for a resident license, new test scores for the appropriate line of authority;
3. if required, attestation to the CE credits claimed;
4. a delayed renewal penalty fee and
5. a Business Transaction Form 08-270 (required for all licensees except adjusters) or 08-307 (required for adjusters) indicating whether any Alaska insurance business was transacted during the time the license was not in force; and, if business was transacted, specific information about that business.

## 21. CHANGE REQUESTS

Under [AS 21.27.025](#), a licensee or compliance officer of a firm must notify the division in writing of any of the following changes **within 30 days** of the specific change. Submit Change Form [08-1245](#) to the division with the applicable sections completed and the appropriate fee. <http://www.commerce.state.ak.us/insurance/producerinfo.htm>.

- termination of employment
- cancellation of license
- business or home phone or fax number
- residence, business physical addresses, or mailing addresses
- name
- residency status
- employment
- lines of authority
- type of license
- compliance officer
- any administrative action taken by a governmental agency of another state or by a governmental agency of another jurisdiction within 30 days **after** the final disposition of the action.
- any criminal prosecution of the licensee in this or another state or jurisdiction within 30 days after the date of filing of the criminal complaint, indictment, information, or citation in the prosecution.

The **designated compliance officer of the firm** must notify the division of any change of the termination of licensed employee within 30 days of the date of the termination. Please see Section 1 of the Change Form [08-1245](#). A licensee may utilize NIPR ([www.nipr.com](http://www.nipr.com)) to file electronic address changes with our office.

Can someone other than the compliance officer sign the required Notice of Termination when an employee leaves the firm?

No. The signature of the compliance officer is required. Contact our office for instructions if the compliance officer of the firm has left the firm.

A licensee must notify the division of any change listed above that is specific to the licensee.

## **22. ASSUMED OR DOING BUSINESS AS (D/B/A) NAMES**

Must I report an assumed or D/B/A name?

Yes. Your license must indicate any name under which you transact business. If you have not already done so, you must notify our office by completing all the requirements listed in Section 6 of the Change Form [08-1245](#).

Can I use a DBA name that is a legal entity?

No, if an individual uses a DBA name that is a legal entity, a firm license in the DBA name must be obtained.

## **23. NAIC ELECTRONIC LICENSING PROGRAMS**

Does Alaska subscribe to the [National Association of Insurance Commissioners \(NAIC\)](#) State Producer Licensing Data Base (SPLD)?

Yes. Any changes or additions to our licensing database are sent on a daily basis to the centralized national database.

Does Alaska participate with the NIPR Address Change Request (ACR) Electronic Initiative?

Yes, residents and nonresidents may file address changes using electronic means through NIPR at: <http://www.nipr.com>.

May I access the NAIC Producer Licensing Database (PDB)?

To access the NAIC PDB on the Internet you must have a valid customer number and PIN. Call the National Insurance Producer Registry (NIPR) product information line at (816) 783-8468 to register. Before you are issued a customer number and PIN, you will be asked to sign a license agreement. Additional information may be obtained from the NIPR website located at: <http://www.nipr.com>.

Does Alaska offer electronic appointment renewals?

Alaska no longer requires the filing of company appointments.

Does Alaska accept electronic applications for renewals?

Yes, for nonresidents who are licensed for only producer authority.

Does Alaska accept electronic applications filed through NIPR?

Yes, for nonresidents only, we accept electronic applications for individuals, individuals in the firm (the firm must be licensed), the compliance officer (the firm must file a business entity application), and the firm (the compliance officer must file an individual application).

## 24. TEMPORARY LICENSING

Does Alaska offer a temporary license?

Yes. The director may issue a temporary license for a period not to exceed 180 days without requiring an examination if the director determines the temporary license is necessary to provide continued service to policyholders. Such a license would be issued because of the death, total disability, or active military service of a licensed producer. The director may issue the temporary license to a surviving spouse, a legal representative of the producer, or an employee of the producer. Contact the Director of Insurance to request a temporary license. See [AS 21.27.390](#).

If I am called to active service in the armed forces, what happens to my license?

Your license will continue to remain in force, but you must designate an individual who meets all the qualifications for a permanent license, except for training, experience, or passing the necessary exam. Such an individual would be issued a temporary license in order to act on your behalf but only for those insurers for whom you were acting as an agent.

## 25. COMMISSIONS, COMMISSION SHARING, AND REBATING

Can I share commissions with an unlicensed person who transacts Alaska insurance?

No. An insurer or insurance producer **may not** pay a commission, service fee, brokerage fee, or other valuable consideration to a person for selling, soliciting, or negotiating insurance in this state if that person is required to be licensed in this state and is not properly licensed.

Does Alaska allow rebating?

No. See [AS 21.36.100 - .120](#)

If I leave the insurance business or this state, do I need to retain my license to continue receiving commissions?

No. Renewal or other deferred commissions may be paid to a person if the person was required to be and was licensed at the time of the sale. **But**, if a former client who wishes to purchase insurance contacts a person who no longer holds an Alaska license, that person must be licensed to sell, solicit, or negotiate insurance to that customer.

May I pay a referral fee?

An insurer or producer may pay compensation to a person without a license **as long as the person has not transacted the business of insurance** and the payment does not violate [AS 21.36.100](#) or [21.36.120](#).

An unlicensed person may also receive compensation for referrals to a licensee if the person does not discuss specific terms and conditions of a policy, does not give opinions or advice regarding insurance, and **if** the referral is nominal, on a one-time basis, and fixed in amount by referral. The compensation for the referral cannot depend on whether insurance is purchased or be contingent upon volume of insurance transacted.

As a general agent, do I need a license to share in commissions?

A general agent who receives only a commission override for business produced by a producer and who has **no involvement** in the sale, solicitation, or negotiation of

insurance does not need a license or appointment with that same insurer. **But**, if the general agent has direct contact with a client or receives an application or premium, that general agent must be licensed and appointed by the insurer.

## 26. DISCLOSURE OF CRIMINAL PROCEEDINGS OR ADMINISTRATIVE ACTIONS

Any applicant applying for licensure in this state must fully disclose all charges and convictions, regardless of whether or not adjudication was withheld and administrative actions taken by any state or jurisdiction.

Failure by the applicant to fully disclose or provide true and complete responses is grounds for denial, suspension, or revocation of an insurance license.

Once licensed, a licensee is required under AS 21.27.025(a) to notify the division in writing of any administrative action taken against the licensee by a governmental agency of another state or by a governmental agency of another jurisdiction within 30 days after the final disposition of the action. Please use Change Form **08-1245** to comply with this requirement.

As well, a licensee is required to report in writing **any** criminal prosecution of the licensee in this or another state or jurisdiction within 30 days after the date of filing of the criminal complaint, indictment, information, or citation in the prosecution. Please use Change Form **08-1245** to comply with this requirement.

What if I fail to notify the division timely if administrative action is taken against my license or I am the subject of criminal prosecution?

Failure to notify our office in a timely manner within 30 days, in writing, may result in the suspension or revocation of your license pursuant 3 AAC 31.060(a)(2). The following penalty fees will be assessed if notification is not received within 30 days as required:

- (A) 1 to 60 days late, \$50.00;
- (B) 61 to 120 days late, \$100.00 and
- (C) more than 120 days late, \$200.00.

If I fail to notify the division of a change within 30 days and I am assessed a late filing fee, must I report the payment of the late filing fee as an administrative action to the other states in which I am licensed?

No, Alaska does not report assessment of late fees to the NAIC Producer Database.

## 27. FELONY CONVICTIONS

Currently, under 18 USC 41033 and 1034 and also under **AS 21.36.355**, effective 7/1/2002, a person having a conviction for a felony involving dishonesty or breach of trust must obtain the written consent of the director of insurance before transacting insurance or working in any area of the insurance industry in this state. Both the convicted individual and the employer or person authorizing that individual as its representative are responsible for receiving written consent under the law before engaging in the business of insurance. See Bulletin B 98-05 at: <http://www.commerce.state.ak.us/insurance/bulletins/98-05.htm>

What application is required to be filed to obtain written consent under 18 USC 1033?

Submit Application Form **08-1033S**. You may access this form through this website (1033 Consent).

What information has the division published concerning compliance with this requirement?

Bulletin 98-05, which is available on this website under “**Bulletins.**”

If I am a nonresident and I have a felony conviction involving dishonesty or breach of trust, from whom do I receive written consent?

You must submit to us a copy of the written consent issued to you by your home state with the Application Form 1033 and fees for a nonresident license.