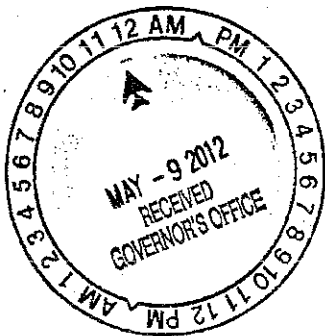


1 HB460  
2 136716-4  
3 By Representative Hill  
4 RFD: Insurance  
5 First Read: 01-MAR-12

ACT NO. 2012- 397



1  
2 ENROLLED, An Act,

3 To amend Sections 27-25-3 and 27-25-4, Code of  
4 Alabama 1975, and to add Sections 27-25-4.1, 27-25-4.2,  
5 27-25-4.3, 27-25-4.4, 27-25-4.5, 27-25-4.6, 27-25-4.7, and  
6 27-25-4.8 to the Code of Alabama 1975, relating to insurance;  
7 to provide for the qualifications and procedures for the  
8 licensing of title insurance agents by providing definitions  
9 and exceptions to the licensing requirements; to require title  
10 insurance agents to pass a written examination; to provide  
11 exceptions; to require title insurance agents to complete  
12 minimum continuing education on a biennial basis; to authorize  
13 the Commissioner of Insurance to promulgate rules; and to  
14 provide a delayed effective date for certain provisions.

15 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

16 Section 1. Sections 27-25-3 and 27-25-4 of the Code  
17 of Alabama 1975, are amended to read as follows:

18 "§27-25-3.

19 "For the purposes of this chapter, the following  
20 terms shall have the following meanings:

21 "(1) ABSTRACT OF TITLE. A compilation or summary of  
22 all instruments of public record of whatever kind or nature  
23 which in any manner affect title to a specified parcel of real  
24 property.

1            "(2) BUSINESS ENTITY. A domestic entity properly  
2 formed and existing under Title 10A.

3            ~~"(2) (3) COMMISSIONER. The Commissioner of the~~  
4 ~~Alabama Department of Insurance.~~

5            "(4) INDIVIDUAL. A natural person.

6            "(5) NAIC. The National Association of Insurance  
7 Commissioners, its subsidiaries and affiliates, and any  
8 successor thereof.

9            ~~"(3) (6) OPINION OF TITLE. A written expression of~~  
10 ~~the status of title, including, but not limited to, the~~  
11 ~~validity or invalidity thereof, based upon an examination by~~  
12 ~~an attorney at law, who is licensed to practice law in this~~  
13 ~~state, of instruments of public record or an abstract thereof~~  
14 ~~affecting title to a specified parcel of real property to~~  
15 ~~ascertain the history and present condition of title to such~~  
16 ~~real property as to its ownership and status with respect to~~  
17 ~~liens, encumbrances, clouds, and defects.~~

18            ~~"(4) (7) PERSON. Any natural person at least 18~~  
19 ~~years of age and who is domiciled in this state or is a bona~~  
20 ~~fide resident of and resides within this state or any~~  
21 ~~partnership, association, corporation, or other legal entity~~  
22 ~~properly existing or organized under the laws of this state.~~  
23 ~~The term "person" does not include "title insurer," nor does~~  
24 ~~it include the officers and employees of a title insurer. An~~  
25 individual or business entity.

1           "~~(5)~~ (8) PRELIMINARY REPORT, COMMITMENT, OR BINDER.

2       Reports furnished in connection with an application or request  
3       for title insurance and are offers to issue a title insurance  
4       policy subject to certain requirements and exceptions stated  
5       in the report, commitment, or binder and such other matters as  
6       are incorporated by reference therein.

7           "~~(6)~~ (9) PREMIUM. Fees charged for assuming  
8       liability and risk under a title insurance policy. For the  
9       purposes of this chapter, "premium" shall include any amount  
10      retained by or paid to an agent under an agreement between the  
11      agent and the title insurance company. For the purposes of  
12      this chapter, "premium" shall not include expenses for the  
13      performance of services such as abstracting, searching, and  
14      examining titles or obtaining a title opinion; fees for  
15      document preparation; fees for handling escrows, settlements,  
16      or closings; fees incurred to cure defects in the title; and  
17      fees incident to the issuance of a commitment to insure title  
18      or a title insurance policy, including, but not limited to,  
19      the costs of reinsurance.

20           "~~(7)~~ (10) TITLE AGENT or AGENT. a. Any person who is  
21      authorized in writing by a title insurer to perform the  
22      following:

23           "~~a.~~ 1. Solicit title insurance business.

24           "~~b.~~ 2. Collect premiums.

1           ~~"c.~~ 3. Determine insurability in accordance with  
2 underwriting rules, standards, and guidelines prescribed by  
3 the title insurer.

4           ~~"d.~~ 4. Issue title insurance commitments, policies,  
5 or endorsements of the title insurer.

6           "b. The term "title agent" or "agent" does not  
7 include the officers or employees of a title insurer.

8           ~~"(8)~~ (11) TITLE INSURANCE POLICY or POLICY. A  
9 contract insuring or indemnifying against loss or damage  
10 arising from any or all of the following existing on or before  
11 the date of the policy:

12           "a. Defects in or liens or encumbrances on the  
13 insured title.

14           "b. Unmarketability of the insured title.

15           "c. Invalidity or unenforceability of liens or  
16 encumbrances on the property described in the policy.

17           "d. Lack of priority of liens or encumbrances.

18           ~~"(9)~~ (12) TITLE INSURER or INSURER. A company  
19 organized under the laws of this state or licensed in this  
20 state for the purpose of transacting as insurer the business  
21 of title insurance, as defined in Section 27-5-10, and any  
22 foreign or alien title insurer licensed to be engaged in this  
23 state in the business of title insurance, as defined in  
24 Section 27-5-10.

1           "~~(10)~~ (13) TITLE SEARCH or TITLE EXAMINATION. A  
2 search of the records in the office of the judge of probate in  
3 the county where the real property is situated through such  
4 period of time as is acceptable to the title insurer. The  
5 search of the public records relating to matters of title  
6 performed in connection with the issuance of a preliminary  
7 report, commitment, or binder shall be solely for the benefit  
8 of the title insurance company requested to issue its policy  
9 or policies of title insurance.

10           "\$27-25-4.

11           "~~(a) A title insurance policy insuring the interest~~  
12 ~~of an insured in real property in this state shall not be~~  
13 ~~issued by any person or agent unless the person or agent~~  
14 ~~issuing a title insurance policy is domiciled in or is~~  
15 ~~otherwise a bona fide resident of and resides within this~~  
16 ~~state or is a partnership, association, corporation, or other~~  
17 ~~legal entity properly organized or existing under the laws of~~  
18 ~~this state. No person shall act as a title insurance agent in~~  
19 ~~this state unless licensed pursuant to this chapter.~~ Nothing  
20 herein contained shall be construed to prevent a title insurer  
21 licensed to do business in this state, nor an employee  
22 thereof, from issuing a policy of title insurance in this  
23 state.

24           "~~(b) A title insurance policy insuring the interest~~  
25 ~~of an insured in real property in this state shall not be~~

1 ~~issued by an agent of a title insurer unless the title insurer~~  
2 ~~first obtains a certificate of authority from the commissioner~~  
3 ~~for such an agent. Each title insurance agent acting on behalf~~  
4 ~~of a title insurance company shall be appointed by the title~~  
5 ~~insurance company in accordance with this chapter. The~~  
6 commissioner shall collect from the title insurer ~~the sum of~~  
7 ~~fifty dollars (\$50) annually for each certificate of authority~~  
8 ~~for which application is made the fees set forth in Section~~  
9 ~~27-25-4.7 for each appointment. For the purposes of this~~  
10 ~~subsection, a certificate of authority need only be obtained~~  
11 ~~for each agency of the title insurer and not for each person~~  
12 ~~within an agency who is authorized to execute on behalf of the~~  
13 ~~agency title insurance commitments, policies, or endorsements~~  
14 ~~of the title insurer. Nothing herein contained shall be~~  
15 construed to require the issuance of ~~a certificate of~~  
16 ~~authority~~ an appointment as described in this subsection to a  
17 title insurer licensed to do business in this state, nor an  
18 employee thereof, for the purpose of issuing a policy of title  
19 insurance in this state.

20 "(c) Unless a later date is specifically authorized  
21 by the title insurer for a particular transaction or unless  
22 the title insurance commitment specifies a time for which it  
23 is effective or such commitment is renewed or extended by the  
24 title insurer, the title agent shall issue to the insured the  
25 policy or policies of title insurance for which a premium has

1        been collected within 60 days from the effective date of the  
2        policy or in the case of a title insurance commitment having  
3        been issued, within 60 days after the satisfaction of all  
4        requirements and conditions set out in the commitment in  
5        accordance with the title insurer's underwriting guidelines.  
6        For the purpose of this subsection, the effective date of the  
7        policy is defined as the date and time the instrument  
8        conveying the interest to be insured is recorded unless the  
9        policy to be issued is insuring the interest of the proposed  
10       insured by virtue of an instrument recorded in the real  
11       property records prior to the time the request or order for  
12       title insurance is placed.

13                "~~(d) The fifty dollar (\$50) fee collected by the~~  
14       ~~commissioner for the issuance of certificates of authority to~~  
15       ~~agents of title insurers shall be deposited into the Insurance~~  
16       ~~Department Fund. The name and license number of the title~~  
17       insurance agent shall be printed or legibly written by hand  
18       underneath his or her signature on each commitment, title  
19       insurance policy, and endorsement to a title insurance  
20       policy."

21                Section 2. Sections 27-25-4.1, 27-25-4.2, 27-25-4.3,  
22       27-25-4.4, 27-25-4.5, 27-25-4.6, 27-25-4.7, and 27-25-4.8 are  
23       added to the Code of Alabama 1975, to read as follows:

24                Section 27-25-4.1. Title agent qualifications.



1           (a) The commissioner may contract with  
2 non-governmental entities, including NAIC, to perform any  
3 ministerial functions, including the collection of fees and  
4 data, related to licensing that the commissioner may deem  
5 appropriate. The commissioner may require that license  
6 applications, license renewal applications, notices of  
7 appointments and appointment terminations, and supporting  
8 documentation be filed and all required fees and charges be  
9 paid electronically through systems operated or maintained by  
10 the non-governmental entities.

11           (b) An individual applying for a title insurance  
12 agent license shall apply to the commissioner on the  
13 appropriate NAIC Uniform Individual Application and declare  
14 under penalty of suspension, revocation, or refusal of the  
15 license that the statements made in the application are true,  
16 correct, and complete to the best of the individual's  
17 knowledge and belief. Before approving the application, the  
18 commissioner shall find that the individual:

19           (1) Is at least 19 years of age.

20           (2) Is a bona fide resident and citizen of this  
21 state or is a full-time employee of a duly licensed title  
22 insurance agent whose principal place of business is  
23 physically located in this state.

(3) Has not committed any act that is a ground for probation, suspension, revocation, or refusal of license as set forth in Section 27-25-4.5.

(4) Has completed the prelicensing course of study for title insurance as required in Section 27-25-4.3.

(5) Has successfully passed the examination for title insurance as required in Section 27-25-4.3.

(6) Has paid the fees set forth in Section 27-25-4.7.

(c) A business entity applying for a title insurance agent license shall apply to the commissioner on the appropriate NAIC Uniform Business Entity Application and declare under penalty of suspension, revocation, or refusal of the license that the statements made in the application are true, correct, and complete to the best of the business entity's knowledge and belief. Before approving the application, the commissioner shall find that the business entity:

(1) Is a domestic entity properly formed and existing under Title 10A and whose principal place of business is physically located in this state.

(2) Has designated an individual title insurance agent licensed in this state as responsible for the business entity's compliance with this chapter and with the insurance laws, rules, and regulations of this state.

1           (3) Has not committed an act that is a ground for  
2 probation, suspension, revocation, or refusal of license as  
3 set forth in Section 27-25-4.5.

4           (4) Has paid the fees set forth in Section  
5 27-25-4.7.

6           (d) The commissioner may require any documents  
7 reasonably necessary to verify the information contained in  
8 the application.

9           Section 27-25-4.2. License; license renewal; name or  
10 address change.

11           (a) Unless denied licensure pursuant to Section  
12 27-25-4.5, a person who meets the requirements of Sections  
13 27-25-4.1 and 27-25-4.3 shall be issued a title insurance  
14 agent license.

15           (b) A title insurance agent license must be  
16 initially renewed in accordance with a schedule prescribed by  
17 the commissioner and shall thereafter be subject to renewal on  
18 a biennial basis. A renewal shall be effected by submitting a  
19 renewal application, by paying the fee for renewal set forth  
20 in Section 27-25-4.7, and by meeting the requirements for  
21 renewal, including any applicable continuing education  
22 requirements, before the due date for renewal A license  
23 expires if not renewed by the due date for renewal.

24           (c) Within the first 30 days following the date a  
25 title insurance agent license expires, a reinstatement

1 retroactive to the expiration date shall be effected by  
2 submitting a renewal application, by paying the renewal fee  
3 plus the late fee set forth in Section 27-25-4.7, and by  
4 meeting the other requirements for renewal including any  
5 applicable continuing education requirements.

6 (d) After the first 30 days following the date a  
7 title insurance agent license expires, but within 12 months  
8 after the expiration date, the license may be reinstated  
9 effective as of the reinstatement by submitting a renewal  
10 application, by paying a fee of double the renewal fee set  
11 forth in Section 27-25-4.7, and by meeting the other  
12 requirements for renewal including any applicable continuing  
13 education requirements.

14 (e) After a title insurance agent license has been  
15 expired for 12 months, the person shall reapply pursuant to  
16 Section 27-25-4.1 to become licensed.

17 (f) A title insurance agent who is unable to comply  
18 with license renewal procedures and requirements due to  
19 military service, long-term medical disability, or some other  
20 extenuating circumstance may request a waiver, a waiver of an  
21 examination requirement, fine, or other sanction imposed for  
22 failure to comply with renewal procedures.

23 (g) The license shall contain the licensee's name,  
24 address, personal identification number, the date of issuance

1 and expiration, and any other information the commissioner  
2 deems necessary.

3 (h) The title insurance agent shall inform the  
4 commissioner of a change in legal name or address within 30  
5 days of the change in a manner prescribed by the commissioner.  
6 Failure to timely inform the commissioner of a change in legal  
7 name or address shall result in a penalty of fifty dollars  
8 (\$50). If the penalty is not paid within 30 days after notice  
9 of the penalty assessment, the license shall be suspended  
10 until the penalty is paid.

11 Section 27-25-4.3. Prelicensing course and  
12 examination.

13 (a) (1) Every individual subject to the examination  
14 required in subsection (b) shall first complete a prelicensing  
15 course consisting of 20 classroom hours or equivalent  
16 individual instruction on the general principles of title  
17 insurance, the duties and responsibilities of a title  
18 insurance agent, and the title insurance laws and regulations  
19 of this state. The course shall be taught only by those  
20 educational institutions, title insurers, or title insurance  
21 trade organizations which hold written authority from the  
22 commissioner.

23 (2) The prelicensing course must have been completed  
24 within 12 months before the date of the examination as shown

1 on the certificate furnished by the prelicensing course  
2 provider.

3 (3) Every prelicensing course provider shall apply  
4 annually for the continued authority to issue certificates of  
5 completion under rules and regulations to be prescribed by the  
6 commissioner.

7 (4) At the time of initial approval and annually  
8 thereafter, the commissioner shall collect from each  
9 prelicensing course provider the fee set forth in Section  
10 27-25-4.7. Public institutions shall be exempt from paying the  
11 fee but shall otherwise be subject to the rules and  
12 regulations applicable to other providers.

13 (b) (1) An individual intending to apply for a title  
14 insurance agent license shall first pass a written examination  
15 unless exempt pursuant to subsection (c).

16 (2) The examination shall test the knowledge of the  
17 individual concerning title insurance, the duties and  
18 responsibilities of a title insurance agent, and the insurance  
19 laws of this state. Examinations required by this section  
20 shall be developed and conducted under rules prescribed by the  
21 commissioner.

22 (3) Each individual applying for an examination  
23 shall furnish a certificate of completion of the prelicensing  
24 course from an authorized prelicensing course provider and pay  
25 a nonrefundable examination fee pursuant to Section 27-25-4.7.

1           (4) The commissioner may make arrangements,  
2 including contracting with an outside testing service, for  
3 administering examinations and collecting the nonrefundable  
4 fee prescribed by the commissioner, in which case the fees  
5 approved by the commissioner for the examinations may be paid  
6 directly to the outside testing service, and the fee shall be  
7 in lieu of, but not in excess of, the fees for the examination  
8 set forth in Section 27-25-4.7.

9           (5) An individual who fails to appear for the  
10 examination as scheduled or fails to pass the examination  
11 shall reapply for an examination and remit all required fees  
12 and forms before being rescheduled for another examination.

13           (6) No individual who has taken and failed to pass  
14 two examinations given pursuant to this section shall be  
15 entitled to take any further title insurance agent  
16 examinations until after the expiration of three months from  
17 the date of the last examination which the individual failed  
18 to pass. If the individual thereafter fails to pass the  
19 examination after two more attempts, the individual shall not  
20 be eligible to take any further title insurance agent  
21 examinations until after the expiration of six months from the  
22 date of the last unsuccessful examination. An examination fee  
23 shall be paid for each and every examination.

24           (c) An individual shall be exempt from the  
25 examination requirement of subsection (b) only as follows:

1           (1) If, within 90 days after the effective date of  
2 this act, the applicant can establish to the satisfaction of  
3 the commissioner that for a period of at least five years  
4 preceding the effective date of this act the applicant has  
5 been an authorized signatory to commitments, title insurance  
6 policies, and endorsements to title insurance policies issued  
7 by the title insurance agent on behalf of a title insurer  
8 properly authorized to conduct the business of title insurance  
9 in this state.

10           (2) If the individual was previously licensed as a  
11 title insurance agent in this state after having passed the  
12 examination required by subsection (b) or being exempt from  
13 the examination under subdivision (1), this exemption is  
14 available only if the application is received within 12 months  
15 of the cancellation of the applicant's previous license in  
16 this state and if, at the time of cancellation, the applicant  
17 was in good standing in this state.

18           Section 27-25-4.4. Continuing education.

19           (a) An individual who holds a title insurance agent  
20 license shall satisfactorily complete a minimum of 24 hours of  
21 continuing education courses as may be approved by the  
22 commissioner, of which three hours shall be in ethics,  
23 reported to the commissioner on a biennial basis in  
24 conjunction with the license renewal cycle.



1           (b) This section shall not apply to licensees not  
2 licensed for one full year prior to the end of the applicable  
3 continuing education biennium.

4           (c) Only continuing education courses and providers  
5 approved by the commissioner shall be used to satisfy the  
6 continuing education requirements of this section. Continuing  
7 education providers and courses shall be subject to the same  
8 requirements and fees set forth in Chapter 8A of this title.

9           (d) The commissioner shall prescribe the number of  
10 hours of continuing education credit for each continuing  
11 education course approved. Continuing education courses  
12 submitted in accordance with a reciprocal agreement the  
13 commissioner enters with other states shall be approved  
14 according to the provisions of the reciprocal agreement.

15           (e) If a continuing education course requires  
16 successful completion of a written examination, no continuing  
17 education credit shall be given to licensees who do not  
18 successfully complete the written examination.

19           (f) An individual teaching any approved continuing  
20 education course shall qualify for the same number of hours of  
21 continuing education credit as would be granted to a licensee  
22 taking and satisfactorily completing the course.

23           Section 27-25-4.5. License denial, non-renewal, or  
24 revocation.

1           (a) The commissioner may place on probation,  
2           suspend, revoke, or refuse to issue or renew the license of a  
3           title insurance agent or may levy a civil penalty pursuant to  
4           subsection (d), or any combination of these actions, for any  
5           one or more of the following causes:

6                   (1) Providing incorrect, misleading, incomplete, or  
7                   materially untrue information in the license application.

8                   (2) Violating any insurance laws, rules, subpoena,  
9                   or order of the commissioner.

10                  (3) Obtaining or attempting to obtain a license  
11                  through misrepresentation or fraud.

12                  (4) Improperly withholding, misappropriating, or  
13                  converting any monies or properties received in the course of  
14                  acting as a title insurance agent or in otherwise doing  
15                  insurance business in this state or elsewhere.

16                  (5) Intentionally misrepresenting the terms of an  
17                  actual title insurance contract.

18                  (6) Having been convicted of a felony.

19                  (7) Having admitted or been found to have committed  
20                  any insurance unfair trade practice or fraud.

21                  (8) Using fraudulent, coercive, or dishonest  
22                  practices, or demonstrating incompetence, untrustworthiness,  
23                  or financial irresponsibility, in the course of acting as a  
24                  title insurance agent or otherwise in the conduct of business  
25                  in this state or elsewhere.

1           (9) Having a title insurance agent license or its  
2       equivalent, or an insurance producer license or its  
3       equivalent, suspended, revoked, or refused in any other state,  
4       province, district, or territory.

5           (10) Forging another's name to any document related  
6       to a title insurance transaction.

7           (11) Cheating, including improperly using notes or  
8       any other reference material, to complete an examination for a  
9       license.

10           (b) In the event that action by the commissioner is  
11       to refuse application for licensure or renewal of an existing  
12       license, the commissioner shall notify the applicant or  
13       licensee in writing, advising of the reason for the refusal.  
14       The applicant or licensee may make written demand upon the  
15       commissioner within 30 days for a hearing before the  
16       commissioner to determine the reasonableness of the refusal.  
17       The hearing shall be held pursuant to Chapter 2 of this title.

18           (c) The license of a business entity may be placed  
19       on probation, suspended, or revoked if the commissioner finds,  
20       after a hearing, that an individual licensee's violation  
21       occurred while acting on behalf of or representing the  
22       business entity and that the violation was known or should  
23       have been known by one or more of the business entity's  
24       partners, officers, or managers and that the violation was

1 neither reported to the commissioner nor was corrective action  
2 taken in relation thereto.

3 (d) In the absence of a greater fine specifically  
4 provided elsewhere in this title, and in addition to or in  
5 lieu of an applicable probation, suspension, revocation, or  
6 refusal, a person, in the sole discretion of the commissioner  
7 after a hearing, may additionally be subject to a civil fine  
8 in an amount not to exceed ten thousand dollars (\$10,000) per  
9 violation.

10 (e) The commissioner shall retain the authority to  
11 enforce the provisions of and impose any penalty or remedy  
12 authorized by this chapter or elsewhere in Title 27 against  
13 any person who is under investigation for or charged with a  
14 violation of this chapter or Title 27 even if the person's  
15 license or registration has been surrendered or has expired by  
16 operation of law.

17 Section 27-25-4.6. Fingerprints.

18 (a) In order to make a determination of title  
19 insurance agent license eligibility, the commissioner may  
20 require fingerprints of initial applicants for a title  
21 insurance agent license, and the fingerprints and the fee  
22 required to perform the criminal history record checks shall  
23 be submitted to the Alabama Department of Public Safety and  
24 the Federal Bureau of Investigation (FBI) for state and  
25 national criminal history record checks.

1           (b) The commissioner shall require a criminal  
2 history record check on each initial applicant for title  
3 insurance agent license pursuant to this section. The  
4 commissioner shall require each applicant to submit a full set  
5 of fingerprints, including a scanned file from a hard copy  
6 fingerprint, to allow the commissioner to obtain and receive  
7 national criminal history records from the FBI Criminal  
8 Justice Information Services Division.

9           (c) The commissioner may contract for the  
10 collection, transmission, and resubmission of fingerprints  
11 required pursuant to this section, and the fee for collecting,  
12 transmitting, and retaining fingerprints shall be payable  
13 directly to the contractor by the applicant. The commissioner  
14 may agree to a reasonable fingerprinting fee to be charged by  
15 the contractor, and both the contractor's fee and the fee  
16 required to perform the criminal history check shall be  
17 collected from the applicant by the contractor.

18           (d) The commissioner may waive submission of  
19 fingerprints by any person that has previously furnished  
20 fingerprints and those fingerprints are on file with the  
21 centralized repository of the NAIC.

22           (e) The criminal history record information may be  
23 submitted to the commissioner instead of the Alabama  
24 Department of Public Safety.

(f) The commissioner may submit electronic fingerprint records and necessary identifying information to the NAIC for permanent retention in a centralized repository. The purpose of a centralized repository is to provide insurance commissioners with access to fingerprint records to perform criminal history record checks.

(g) The commissioner shall treat and maintain an applicant's fingerprints and any criminal history record information obtained pursuant to this section as confidential and shall apply security measures consistent with the Criminal Justice Information Services Division of the Federal Bureau of Investigation standards for the electronic storage of fingerprints and necessary identifying information and limit the use of records solely to the purposes authorized in this section. The fingerprints and any criminal history record information shall not be subject to subpoena, other than one issued in a criminal action or investigation, and shall be confidential.

Section 27-25-4.7. Fees.

(a) The Commissioner of Insurance shall collect in advance the following fees:

(1) Title insurance agent licenses:

a. Individuals:

1. Application fee (for filing of initial application for license) .....\$20

2. License fee (for issuance of original license and each biennial renewal) .....\$40

b. Business entities:

1. Application fee (for filing of initial application for license) .....\$20

2. License fee (for original license and each biennial renewal) .....\$100

c. Examination fee, an amount set by the commissioner not to exceed.....\$100

d. Late renewal fee, to be paid by each title insurance agent failing to make a timely renewal of license.....\$50

(2) Title insurance agent appointment fee:

a. Filing notice of appointment .....\$30

b. Annual continuation of appointment .....\$10

(3) Prelicensing course provider fee (for filing initial application for authority and annual renewal) an amount set by the commissioner not to exceed .....\$100

(b) The fees specified in subsection (a) shall be deposited in the State Treasury and credited to the Insurance Department Fund.

Section 27-25-4.8. Implementation.

1           (a) The commissioner, by rule pursuant to Chapter 2  
2 of this title, may provide for the implementation of the  
3 requirements of this act.

4           (b) Each title insurance agent certificate of  
5 authority in force prior to the effective date of this act  
6 shall be issued a replacement title insurance agent license  
7 and appointment upon payment of the annual fee in the amount  
8 set forth in Section 27-25-4 prior to this act. A replacement  
9 title insurance agent shall be authorized to continue to issue  
10 title insurance policies in the same manner as permitted in  
11 Section 27-25-4 prior to this act.

12           (c) A replacement title insurance agent license  
13 issued in accordance with subsection (b) shall be valid for  
14 six months, during which time the person shall satisfy the  
15 requirements for a title insurance agent license pursuant to  
16 Sections 27-25-4.1 and 27-25-4.3 or the replacement license  
17 shall thereupon expire and be canceled. The appointment issued  
18 in accordance with subsection (b) shall be transferred to the  
19 title insurance agent license when the license is issued.

20           (d) The commissioner may stagger the renewal periods  
21 of title insurance agents over the first two calendar years  
22 following the effective date of this act. Certain licensees  
23 may be required to renew for one year at half of the biennial  
24 fee and continuing education requirements otherwise required  
25 under this act.



1           (e) The commissioner may provide for the delayed  
2 enforcement of Section 27-25-4.3, regarding examinations,  
3 Section 27-25-4.4, regarding continuing education, and Section  
4 27-25-4.6, regarding fingerprinting, for up to 24 months  
5 following the effective date of this act to allow for  
6 implementation.

7           (f) If the enforcement of the examination  
8 requirement of Section 27-25-4.3 is delayed as authorized in  
9 subsection (e), the commissioner may issue a temporary title  
10 insurance agent license to an applicant who is otherwise  
11 qualified except as to the prelicensing course and examination  
12 requirements of Section 27-25-4.3. A temporary license may be  
13 renewed once in accordance with the renewal schedule  
14 established by the commissioner as provided in subsection (d).  
15 A temporary license shall not be valid for a period of time  
16 exceeding three months following implementation of the  
17 examination requirement.

18           Section 3. This act shall become effective on the  
19 first day of January 2013, following its passage and approval  
20 by the Governor, or its otherwise becoming law.

1  
2  
3  
4 Speaker of the House of Representatives

5 *Ray Ivey*

6 President and Presiding Officer of the Senate

7 House of Representatives

8 I hereby certify that the within Act originated in  
9 and was passed by the House 12-APR-12.

10  
11 Greg Pappas  
12 Clerk  
13

14  
15  
16 Senate

08-MAY-12

Passed  
17

APPROVED *May 14, 2012*  
TIME *6:07 p.m.*  
*Robert Bentley*  
GOVERNOR

Alabama Secretary Of State

Act Num....: 2012-397  
Bill Num....: H-460

Recv'd 05/16/12 08:59amSLF

NSOR

SPONSORS

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## HOUSE ACTION

DATE: 3-1 2012  
RD 1 RFD Insurance

## REPORT OF STANDING COMMITTEE

This bill having been referred by the House to its standing committee on

Insurance was

acted upon by such committee in session, and returned therefrom to the

House with the recommendation that it be

Passed, w/amend(s) w/sub

this 14<sup>th</sup> day of March, 2012.

Mike Kelly, Chairperson

DATE: 3-14 2012  
RF RD 2 CAL

DATE: 20  
RE-REFERRED ☐ RE-COMMITTED ☐  
Committee \_\_\_\_\_

I hereby certify that the Resolution as required in Section C of Act No. 81-889 was adopted and is attached to the Bill,

HB 460  
YEAS 97 NAYS 0

GREG PAPPAS,  
Clerk

## SENATE ACTION

DATE: 4-17 20  
RD 1 RFD B+I

This Bill was referred to the Standing Committee of the Senate on B+I

and was acted upon by such Committee in session and is by order of the Committee returned therefrom with a favorable report

w/amd(s) w/sub w/leng sub

by a vote of

yeas 10 nays 0 abstain 0

this 25 day of April, 2012

Patrick Harris, Chairperson

DATE: 4-26 20  
RF RD 2 CAL

I hereby certify that the Resolution as required in Section C of Act No. 81-889 was adopted and is attached to the Bill,  
HB 460

YEAS 27 NAYS 0

PATRICK HARRIS,  
Secretary

DATE: 5-8-12 RD 3 at length  
PASSED ☒ PASSED AS AMENDED ☐

YEAS 27 NAYS 0  
And was ordered returned forthwith to the House.

PATRICK HARRIS,  
Secretary

DATE: 20  
INDEFINITELY POSTPONED YEAS NAYS

DATE: 20  
RECONSIDERED YEAS NAYS