

**State of Rhode Island and Providence Plantations**  
**DEPARTMENT OF BUSINESS REGULATION**  
*Division of Insurance*  
**233 Richmond Street**  
**Providence, RI 02903**

**NOTICE OF PROPOSED AMENDMENT TO REGULATION**  
**AND PUBLIC HEARING**

Notice is hereby given, in accordance with R.I. Gen. Laws §§ 42-14-17 and 42-35-3, that the Department of Business Regulation (“Department”) proposes to amend the following Regulation:

**Insurance Regulation 103– Fees For Insurance Producers, Insurance Claim Adjusters, Motor Vehicle Damage Appraisers, Surplus Line Brokers, Title Agents And Continuing Education Course Providers**

The proposed amendments to this regulation are designed to amend the fee schedules to provide for biennial license renewals, add a reinstatement fee for surplus line brokers and to add language indicating the Department’s ability to contact with outside entities to perform ministerial functions. The remaining changes are to form and grammar.

Notice is also hereby given, in accordance with R.I. Gen. Laws § 42-35-3, that the Department of Business Regulation will hold a public hearing beginning at 10:00 a.m. on January 11, 2006 in the Main Hearing Room of the Department of Business Regulation, 233 Richmond Street, Providence, Rhode Island 02903, regarding the Proposed Amendment.

Copies of the Proposed Amended Regulation are on file at the Department and copies may be obtained from the Legal Division, Department of Business Regulation, 233 Richmond Street, Providence, Rhode Island 02903 during normal working hours on regular business days or by mail upon request. The Proposed Amended Regulation may also be obtained from the Department’s website [www.dbr.state.ri.us](http://www.dbr.state.ri.us).

In the development of the Proposed Amended Regulation, consideration was given to overlapping approaches, overlap and duplication with other statutory and regulatory provisions and economic impact on small business and cities and towns.

All interested persons may submit their views, data or arguments regarding the Proposed Amended Regulation, including information relating to alternative approaches, duplication or overlap with other state rules or regulations and the economic impact of the Proposed Amended Regulation on small business and/or cities and towns, orally at the public hearing or in writing, either by delivering the same in person or United States mail with postage pre-paid thereon to the Department of Business Regulation, 233 Richmond Street, Providence, Rhode Island 02903 attention Elizabeth Kelleher Dwyer, Hearing Officer or by e-mail to [elizabeth\\_dwyer@dbr.state.ri.us](mailto:elizabeth_dwyer@dbr.state.ri.us)

ALL WRITTEN SUBMISSION MUST BE RECEIVED NOT LATER THAN  
JANUARY 11, 2006 AT 10:00 A.M.

The hearing room is accessible to the handicapped. Individuals requesting interpreter services for the hearing impaired must notify the Office of Legal Counsel at (401) 222 5400 or TDD 711 not less than ninety-six (96) hours in advance of the hearing date.

A. Michael Marques  
Director, Department of Business Regulation

**State of Rhode Island and Providence Plantations**  
**DEPARTMENT OF BUSINESS REGULATION**  
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**INSURANCE REGULATION 103**

**FEES FOR INSURANCE PRODUCERS, INSURANCE CLAIM ADJUSTERS,  
MOTOR VEHICLE DAMAGE APPRAISERS, SURPLUS LINE BROKERS,  
TITLE AGENTS AND CONTINUING EDUCATION COURSE PROVIDERS**

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**Section 1**     *Authority*

This Regulation is promulgated in accordance with R.I. Gen. Laws § 27-2.4-1 *et seq.*, R.I. Gen. Laws § 27-3-38, and R.I. Gen. Laws § 27-3.2-1 *et seq.*, R.I. Gen. Laws § 27-10-1 *et seq.*, R.I. Gen. Laws § 27-10.1-1 *et seq.*, R.I. Gen. Laws § 42-14-17, R.I. Gen. Laws § 42-35-1 *et seq.*

**Section 2**     *Purpose*

The purpose of this Regulation is to establish a fee schedule for the licensing of Insurance Producers, Insurance Claims Adjusters, Motor Vehicle Damage Appraisers, Surplus Line Brokers, Title Agents and Continuing Education Course Providers as well as associated licensing fees such as: letters of clearance, letters of certification, duplicate licenses, returned checks, amendments to licenses, processing of insurance producer license applications, approvals for continuing education course providers, continuing education tracking and reinstatement of an insurance producer license.

### Section 3 Definitions

As used in this Regulation:

~~(A)~~ (B) "Resident" means a person who either resides in Rhode Island or maintains an office in Rhode Island where the business of producing insurance is transacted and designates Rhode Island as the residence for purposes of licensure.

~~(A)(B)~~ "Amendment to a License" shall mean a claim adjuster or an insurance producer application submitted by a licensee to the Department of Business Regulation requesting that a line or lines of authority be added to or deleted from his, her or its license.

~~(B)(C)~~ "Branch Office" shall mean a corporation, association, partnership, limited liability company, limited liability partnership, or other legal entity with the same federal identification number as an existing non-resident or resident Business Entity insurance producer licensee as defined in R.I. Gen. Laws § 27-2.4-2 (see "Main Corporate Office below) seeking to establish a new physical office located in Rhode Island or another physical office located in Rhode Island for the purpose of selling, soliciting or negotiating insurance.

~~(C)(D)~~ "Continuing Education Course Provider" shall mean any person or entity which seeks and receives approval from the Department of Business Regulation to provide a continuing education course(s) for insurance producers pursuant to R.I. Gen. Laws § 27-3.2-1 *et seq.*

~~(D)(E)~~ "Continuing Education Tracking Fee" shall mean a fee that all individual and business entity insurance producers are required to pay pursuant to R.I. Gen. Laws § 27-3.2-9.

~~(E)(F)~~ "Department" shall mean the Department of Business Regulation.

~~(F)(G)~~ "Duplicate License" shall mean a replacement of an insurance license requested by an insurance licensee and issued by the Department.

~~(G)(H)~~ "Letter of Certification" shall mean an original document requested by an insurance licensee and issued by the Department which verifies that he, she or it holds a certain type of insurance license in the State of Rhode Island.

~~(H)(I)~~ "Letter of Clearance" shall mean an original document requested by an insurance licensee and issued by the Department canceling his, her or its Rhode Island insurance license.

~~(I)(J)~~ "License" shall mean a Rhode Island insurance producer license, an insurance claim adjuster license, a motor vehicle damage appraiser license, a surplus line broker license, or a title agent license.

(K) “Licensee” shall mean the holder of a Rhode Island insurance producer license, a claim adjuster license, a motor vehicle damage appraiser license, a surplus line broker license, or title agent license.

(L) “Main Corporate Office” shall mean a Business Entity insurance producer licensee pursuant to R.I. Gen. Laws § 27-2.4-1 established prior to any Branch Office(s) or the Business Entity insurance producer that is the main office of the licensed Business Entity. The Main Corporate Office of the Business Entity insurance producer licensee shall identify at least one Designated/Responsible Licensed Producer (“DRLP”) with the specified line(s) of authority held by the Main Corporate Office and each affiliated Branch Office.

(M) “NAIC” shall mean the National Association of Insurance Commissioners.

(N) “Reinstatement” shall mean the process by which any individual or business entity insurance producer license, motor vehicle damage appraiser license, claim adjuster license and surplus line broker license is reinstated without examination within one (1) year from the date of expiration. A Licensee who allows his or her or its License to expire will have until one (1) year from the date of expiration to file a new application for a License without having to retake the examination for licensing. A Licensee must still complete and file a renewal application, file the appropriate reissuance affidavit and pay all applicable fees, fines and penalties.

(O) “Returned Check” shall mean any check submitted by an applicant for a License or submitted by a Licensee to the Department that is returned to the Department due to insufficient funds.

#### **Section 4**      **Fee Schedule for Insurance Producers**

The fee schedule for insurance producers shall be as follows:

- (A) Initial Producer License Fee:
1. \$50.00 per year for a total fee of \$100.00 for two (2) years for individual resident insurance producers pursuant to R.I. Gen. Laws § 27-2.4-4.
  2. \$50.00 per year for a total fee of \$100.00 for two (2) years for business entity resident insurance producers pursuant to R.I. Gen. Laws § 27-2.4-4
  3. \$55.00 per year for a total fee of \$110.00 for two (2) years for individual nonresident insurance producers.
  4. \$75.00 per year for a total fee of \$150.00 for business entity nonresident insurance producers.

All Initial Producer License Fees (including the Continuing Education Tracking Fee) are nonrefundable. If an Applicant does not complete the Application process within ninety (90) days, the Department will return the Application. All subsequent Applications will require an additional Initial Producer License Fee and Continuing Education Tracking Fee.

- (B) Renewal Fee:
1. ~~\$ 50.00 per year~~\$100.00 for two (2) years for individual resident insurance producers pursuant to R.I. Gen. Laws § 27-2.4-4.
  2. ~~\$ 50.00 per year~~\$100.00 for two (2) years for business entity resident insurance producers pursuant to R.I. Gen. Laws § 27-2.4-4
  3. ~~\$ 55.00-\$110.00 per year~~ for two (2) years for individual nonresident insurance producers.
  4. ~~\$ 75.00 per year~~\$150.00 for two (2) years for business entity nonresident insurance producers.
- (C) Amendment to License Fee: the same as the ~~one original one~~(1) year Initial License Application— Producer Fee as stated in Section 4(A) above at each time of amendment.
- (D) Continuing Education Course Providers shall be charged a fee of \$25.00 for the approval of each continuing education course submitted for approval pursuant to R.I. Gen. Laws § 27-3.2-1 *et seq.*
- (E) Continuing Education Tracking Fee: \$5.00 per year for a total fee of \$10.00 for two (2) years pursuant to R.I. Gen. Laws § 27-3.2-9.
- (F) Duplicate License Fee: \$25.00 pursuant to R.I. Gen. Laws § 27-2.4-4(c).
- (G) Letter of Certification Fee: \$15.00 pursuant to R.I. Gen. Laws § 27-2.4-4(c).
- (H) Letter of Clearance Fee: \$15.00 pursuant to R.I. Gen. Laws § 27-2.4-4(c).
- (I) Returned Check Fee: \$25.00 pursuant to R.I. Gen. Laws § 27-2.4-4(c).
- (J) Reinstatement Fee (in addition to all applicable renewal fees):  
 \$50.00 for Rhode Island individual residents  
\$50.00 for Rhode Island resident Business Entities  
 \$55.00 for individual nonresidents  
 \$75.00 for nonresident Business Entities
- (K) Annual Company Contract Fee: \$25.00 R.I. Gen. Laws § 27-2.4-4(b)(3). requires all insurance companies contracting with insurance producers (individuals and/or business entities) to provide to the Department on March 1 of each year a listing of and a \$25 fee for each producer and/or business entity paid more than \$100 in commissions for business written in Rhode Island.
- (L) Addition of Branch Office Fee: \$25.00

- (M) The Initial Producer License Fee and Continuing Education Tracking Fee are nonrefundable for both resident and nonresidents insurance producers.

**Section 5** *Fee Schedule for Insurance Claim Adjusters*

The fee schedule for insurance claim adjusters shall be as follows:

- (A) Application Fee (Examination and Filing Fee): \$50.00 pursuant to R.I. Gen. Laws § 27-10-6.
- (B) License Fee: \$50.00 per year for a total fee of ~~\$150.00~~ \$100.00 for ~~three (3)~~ two (2) years.
- (C) Renewal Fee: ~~\$150~~ \$100 pursuant to R.I. Gen. Laws § 27-10-7 (~~\$50.00 per year of license term~~).
- (D) Amendment to License Fee: ~~\$50. same as the original one (1) year License Application Fee as stated in Section 5(A) above for each amendment.~~
- (E) Duplicate License Fee: \$25.00.
- (F) Letter of Certification Fee: \$15.00.
- (G) Letter of Clearance Fee: \$15.00.
- (H) Returned Check Fee: \$25.00.
- (I) Reinstatement Fee: \$50.00 (In addition to all applicable licensing renewal fees).
- (J) The Application Fee is non-refundable. If an Applicant does not complete the Application process within sixty (60) days, the Department will return the Application.

**Section 6** *Fee Schedule for Motor Vehicle Damage Appraisers*

The fee schedule for Motor Vehicle Damage Appraisers shall be as follows:

- (A) Application Fee (includes Examination Fee): \$50.00 pursuant to R.I. Gen. Laws § 27-10.1-~~2~~ 1.
- (B) License Fee: \$50.00 per year for a total fee of ~~\$150.00~~ \$100.00 for ~~three~~ two (3) (2) years.
- (C) Renewal Fee: ~~\$150.00~~ \$100 pursuant to R.I. Gen. Laws § 27-10.1-~~2~~ 1 (~~\$50.00 per year of license term~~).

- (D) Duplicate License Fee: \$25.00.
- (E) Letter of Certification Fee: \$15.00.
- (F) Letter of Clearance Fee: \$15.00.
- (G) Returned Check Fee: \$25.00.
- (H) Reinstatement Fee: \$50.00 (In addition to all applicable licensing renewal fees).
- (I) The Application Fee is non-refundable. If an Applicant does not complete the Application process within sixty (60) days, the Department will return the Application.

**Section 7**      **Fee Schedule for Surplus Line Brokers**

The fee schedule for Surplus Line Brokers shall be as follows:

- (A) License Fee: ~~\$200~~ A total fee of \$150.00 (\$50.00 for Application Fee and ~~\$150.00 a \$100.00 license fee (\$50.00 per year for three (3) years) for licensing~~ pursuant to R.I. Gen. Laws § 27-3-42).
- (B) Renewal Fee: ~~\$150.00~~ \$100 (~~\$50 per license year~~ pursuant to R.I. Gen. Laws § 27-3-42).
- (C) Duplicate License Fee: \$25.00.
- (D) Letter of Certification Fee: \$15.00.
- (E) Letter of Clearance Fee: \$15.00.
- ~~(F)~~ (F) Returned Check Fee: \$25.00.
- ~~(G)~~ (G) Reinstatement Fee: \$50.00 (In addition to all applicable licensing renewal fees).
- ~~(H)~~ (H) The Application Fee is non-refundable. If an Applicant does not complete the Application process within sixty (60) days, the Department will return the Application.

**Section 8**      **Fee Schedule for Title Agents**

The fee schedule for Title Agents shall be as follows:

- (A) Application Fee: \$10.00.
- (B) License (and Renewal) Fee: Massachusetts residents: \$150 (\$50.00 per year for three (3) years); Rhode Island and all others: \$75.00 (\$25.00 per year for three (3) years).

- (C) Duplicate License Fee: \$25.00.
- (D) Letter of Certification Fee: \$15.00.
- (E) Letter of Clearance Fee: \$15.00.

~~(G)~~(F) Returned Check Fee: \$25.00.

(H)(G) The Application Fee is non-refundable. If an Applicant does not complete the Application process within sixty (60) days, the Department will return the Application.

**Section 9**      **Collection of Licensing Fees and Data**

The Department may contract with non-governmental entities, including the NAIC or any affiliates or subsidiaries that the NAIC oversees, to perform any ministerial functions, including the collection of fees and data, related to licensing that the Department may deem appropriate.

**Section ~~9~~ 10**    **Severability**

If any provision of this Regulation or the application thereof to any person or circumstances is held invalid or unconstitutional, the invalidity or unconstitutionality shall not affect other provisions or applications of this Regulation which can be given effect without the invalid or unconstitutional provision or application, and to this end the provisions of this Regulation are severable.

**Section ~~10~~ 11**    **Effective Date**

This Regulation shall be effective ~~July 1, 2004~~ twenty (20) days after filing with the Secretary of State as indicated below.

EFFECTIVE DATE: July 1, 2004  
AMENDED:            February , 2006