Byron Mallott Lieutenant Governor State Capitol Juneau, Alaska 99811 907.465.3520 WWW.LTGOV.ALASKA.GOV



530 West 7<sup>th</sup> Ave, Suite 1700 Anchorage, Alaska 99501 907.269.7460 LT.GOVERNOR@ALASKA.GOV

#### OFFICE OF THE LIEUTENANT GOVERNOR ALASKA

### **MEMORANDUM**

- TO: Chip Wagoner Division of Insurance
- **FROM:** Scott Meriwether, Office of the Lieutenant Governor 465.4081



DATE: February 1, 2018

**RE:** Filed Permanent Regulations: Division of Insurance

Division of Insurance regulations re: motor vehicle service contract providers and administrators (3 AAC 31.060; 3 AAC 31.700 - 3 AAC 31.729)

Attorney General File:JU2017200115Regulation Filed:2/1/2018Effective Date:3/3/2018Print:225, April 2018

cc with enclosures:

Linda Miller, Department of Law Judy Herndon, LexisNexis Micaela Fowler, Dept. of Commerce, Community & Economic Dev.

## ORDER RA 17-01a ADOPTING CHANGES TO REGULATIONS OF THE DIVISION OF INSURANCE

The attached eight pages of regulations dealing with motor vehicle service contract providers and motor vehicle service contract administrators are adopted and certified to be a correct copy of the regulation changes that the Division of Insurance adopts under the authority of AS 21.06.090 and AS 21.59.200 and after compliance with the Administrative Procedure Act (AS 44.62), specifically including notice under AS 44.62.190 and 44.62.200 and opportunity for public comment under AS 44.62.210.

This action is not expected to require an increased appropriation.

In considering public comments, the Division of Insurance paid special attention to the cost to private persons of the regulatory action being taken.

The regulations adopted under this order take effect on the 30<sup>th</sup> day after they have been filed by the lieutenant governor as provided in AS 44.62.180.

Date: January 30, 2018

inc

Lori Wing-Heier Director Division of Insurance Department of Commerce, Community, and Economic Development

### FILING CERTIFICATION

I, Byron Mallott, Lieutenant Governor for the State of Alaska, certify that on

of AS 44.62.040 - 44.62.120.

Lieuter

Effective March 3, 2018 Register 225, April 2018

#### Title 3. Commerce, Community, and Economic Development.

Part 2. Division of Insurance.

#### Chapter 31. Miscellaneous.

#### Article

- 1. Fees (3 AAC 31.010 3 AAC 31.090)
- Filing Procedure for Forms, Rates, Manuals, Rating Plans, and Rules (3 AAC 31.200 3 AAC 31.299)
- 3. Viatical Settlements (3 AAC 31.300 3 AAC 449)
- 4. Comprehensive Health Insurance Association Reinsurance Program (3 AAC 31.500 3 AAC 31.549)
- 5. Air Ambulance Services (3 AAC 31.600 3 AAC 31.690)

 Motor Vehicle Service Contracts (3 AAC 31.700 – 3 AAC 31.729) [GENERAL PROVISIONS (3 AAC 31.900)]

7. General Provisions (3 AAC 31.900)

#### Article 1. Fees.

3 AAC 31.060(a) is amended by adding new paragraphs to read:

(35) initial application for and biennial renewal of a motor vehicle service contract provider license, \$300;

(36) initial application for and biennial renewal of a motor vehicle service contract administrator registration, \$75.

(Eff. 6/2/88, Register 106; am 7/1/89, Register 110; am 7/1/92, Register 123; am 3/30/94,

Register 129; am 3/15/97, Register 141; am 8/23/2001, Register 159; am 12/30/2006, Register

180; am 10/13/2011, Register 200; am 1/1/2014, Register 208; am 9/4/2014, Register 211; am

11/26/2015, Register 216; am 8/20/2016, Register 219; am 3 / 3 /20/8, Register 225)

Authority:	AS 21.06.090	[AS 21.36.505]	AS 21.61.105
	AS 21.06.250	<u>AS 21.59.140</u>	AS 21.61.109
	AS 21.27.025	<u>AS 21.59.160</u>	AS 21.66.210
	AS 21.34.040	<u>AS 21.59.200</u>	AS 21.75.045
	AS 21.36.355		

#### Article 6. Motor Vehicle Service Contracts.

3 AAC 31 is amended by adding new sections to read:

#### Section

- 700. Applicability
- 705. Term of initial provider license period; biennial renewal
- 710. Provider application
- 715. Provider qualifications
- 720. Administrator registration
- 729. Definitions

**3 AAC 31.700. Applicability.** Unless exempted under AS 21.59.120, the provisions of 3 AAC 31.700 – 3 AAC 31.729 apply to a

(1) motor vehicle service contract marketed, offered for sale, sold, administered,or issued to, or made with, a consumer in this state;

(2) motor vehicle service contract provider marketing, offering for sale, selling,

issuing, or making a motor vehicle service contract in this state; and

(3) motor vehicle service contract administrator responsible for the administration of a motor vehicle service contract or motor vehicle service contract plan in this state. (Eff. <u>3 / 3 /2018</u>, Register <u>225</u>)
Authority: AS 21.06.090 AS 21.59.120 AS 21.59.200

**3 AAC 31.705. Term of initial provider license period; biennial renewal.** (a) Except as provided in (b) of this section,

(1) the term of an initial biennial motor vehicle service contract provider firm license begins on the date the director issues the license and ends two years later; and

(2) the date the term of an initial biennial motor vehicle service contract provider firm license ends is the biennial renewal date for the licensee's motor vehicle service contract provider firm license.

(b) If the firm applying for an initial biennial motor vehicle service contract provider firm license is currently licensed under AS 21.27, the term of the initial biennial motor vehicle service contract provider firm license is the same as the licensee's current license. The biennial

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Register <u>225</u>, <u>April</u> 2018 COMMERCE, COMMUNITY, AND EC. DEV. renewal date for the motor vehicle service contract provider firm license is the same date as the biennial renewal date for the licensee's current license. (Eff. 3 / 3 /2018, Register 225) Authority: AS 21.06.090 AS 21.59.150

AS 21.59.140

AS 21.59.200

**3 AAC 31.710.** Provider application. (a) An applicant for a motor vehicle service contract provider license shall

(1) file an application on a form prescribed by the director; and

(2) pay the fee required under 3 AAC 31.060(a).

(b) An applicant for a motor vehicle service contract provider firm license shall submit the following information and documents directly to the division:

(1) a copy of all organizational documents including, as applicable, articles of

incorporation, bylaws, articles of association, and operating or partnership agreements;

(2) proof of financial responsibility meeting the requirements under

AS 21.59.180 by providing evidence of

(A) insurance meeting the requirements under AS 21.59.180(a)(1); or

(B) financial stability meeting the requirements under

AS 21.59.180(a)(2);

(3) if the applicant's parent company's annual report filed with the United States Securities and Exchange Commission or the applicant's parent company's audited financial statements are filed with the division to meet the applicant's financial stability requirement under (2)(B) of this subsection, a notarized statement that is signed by an authorized officer of the

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Register 225, April 2018 COMMERCE, COMMUNITY, AND EC. DEV.

parent company and that guarantees the obligations of the applicant relating to motor vehicle service contracts sold by the applicant in this state;

(4) if the applicant appoints a motor vehicle service contract administrator to administer all or a part of a motor vehicle service contract in this state, for each motor vehicle service contract administrator, the administrator's

(A) name;

(B) mailing address;

(C) telephone number; and

(D) electronic mail address that the motor vehicle service contract administrator wants the division to use to communicate with the motor vehicle service contract administrator; and

(5) the name of the agent registered in this state upon whom process, notice, or demand required or permitted by law to be served upon the applicant may be served.

(c) A natural person who is an employee or agent of a firm licensed as a motor vehicle service contract provider under 3 AAC 31.700 – 3 AAC 31.729 is not required to be licensed or registered as a motor vehicle service contract provider or a motor vehicle service contract administrator. (Eff. 3/3/20/8, Register 225)

Authority: AS 21.06.090 AS 21.59.180 AS 21.59.200

AS 21.59.140

3 AAC 31.715. Provider qualifications. (a) A motor vehicle service contract provider may not market, offer for sale, sell, issue, or make a motor vehicle service contract in this state unless the provider meets the qualifications under AS 21.59.110 - 21.59.290 and this section.

(b) A motor vehicle service contract provider is qualified to market, offer for sale, sell, issue, or make a motor vehicle service contract in this state if the provider

(1) has an approved motor vehicle service contract provider application on file with the director;

(2) has paid the motor vehicle service contract provider initial application or biennial renewal fee under 3 AAC 31.060(a); and

(3) is currently licensed in good standing in this state.

(c) An applicant for a motor vehicle service contract provider license shall establish to the satisfaction of the director that the applicant is

- (1) qualified under AS 21.59.110 21.59.290;
- (2) trustworthy;
- (3) competent; and
- (4) financially responsible.

(d) The director will consider an applicant for a motor vehicle service contract provider firm license to have met the requirements under (c)(1) - (3) of this section if the applicant has not committed an act that is the cause for denial, nonrenewal, suspension, or revocation of a license in this state or another state and

(1) is currently licensed and in good standing as a motor vehicle service contract provider in another state; or

(2) provides information that demonstrates to the satisfaction of the director the applicant's ability to competently perform the functions of a motor vehicle service contract provider in this state.

(e) The director will consider an applicant for a motor vehicle service contract provider firm license to have met the requirement under (c)(4) of this section if the applicant meets the requirements under 3 AAC 31.710(b)(2). (Eff. 3/3/20/8, Register 225) Authority: AS 21.06.090 AS 21.59.140 AS 21.59.200

**3 AAC 31.720. Administrator registration.** (a) An applicant for a motor vehicle service contract administrator registration shall

- (1) file an application on a form prescribed by the director; and
- (2) pay the fee required under 3 AAC 31.060(a).

(b) An applicant for a motor vehicle service contract administrator registration shall submit the following information and documents directly to the division:

(1) if the applicant is appointed by a motor vehicle service contract provider to be a motor vehicle service contract administrator to administer all or a part of a motor vehicle service contract in this state, for each motor vehicle service contract provider, the provider's

- (A) name
- (B) mailing address;
- (C) telephone number; and

(D) electronic mail address that the motor vehicle service contract provider wants the division to use to communicate with the motor vehicle service contract provider.

(c) The term of an initial biennial motor vehicle service contract administrator registration begins on the date the director determines the motor vehicle service contract administrator registration is complete and ends two years later.

(d) The date the term of an initial biennial motor vehicle service contract administrator registration ends is the biennial renewal date for the administrator's motor vehicle service contract administrator registration. (Eff. 3/3/20/8, Register 225) **Authority:** AS 21.06.090 AS 21.59.160 AS 21.59.200

**3 AAC 31.729. Definitions.** In 3 AAC 31.700 – 3 AAC 31.729, unless the context requires otherwise,

(1) "consumer" means a natural person who

(A) buys a motor vehicle other than for purposes of resale; and

(B) primarily uses the motor vehicle for personal, family, or household

purposes;

(2) "firm" has the meaning given in AS 21.97.900;

(3) "state" has the meaning given in AS 21.97.900. (Eff. <u>3</u>/<u>3</u>/<u>2018</u>,

Register 225)

 Authority:
 AS 21.06.090
 AS 21.59.200
 AS 21.97.900

 AS 21.59.140
 AS 21.59.140
 AS 21.97.900

# **MEMORANDUM**

To: Hon. Byron Mallott Lieutenant Governor

Steven C. Weaver

Sr. Assistant Attorney General and Assistant Regulations Attorney Legislation and Regulations Section

## State of Alaska Department of Law

Date: February 1, 2018

File No.: JU2017200115

Tel. No.: 465-3600

Re: Division of Insurance regulations re: motor vehicle service contract providers and administrators (3 AAC 31.060; 3 AAC 31.700 - 3 AAC 31.729)

We have reviewed the attached regulations from the Division of Insurance against the statutory standards of the Administrative Procedure Act. I have reviewed this project under a specific delegation dated February 1, 2018 from the Regulations Attorney. Implementing AS 21.59.110 - 21.59.290, the regulations establish requirements, procedures, and fees for licensure of motor vehicle service contract providers and registration of motor vehicle service contract administrators.

We find no legal problems. This memorandum constitutes the written statement of approval under AS 44.62.060(b) and (c) that authorizes your office to file the attached regulations.

The March 7, 2017 public notice and the January 30, 2018 adoption order both state that this action is not expected to require an increased appropriation. Therefore, a fiscal note under AS 44.62.195 is not required.

SCW

From:

cc w/enc: (via email)

Lori Wing-Heier, Director Division of Insurance

Micaela Fowler, Regulations Contact Department of Commerce, Community, and Economic Development

Chip Wagoner, Regulations Specialist Division of Insurance

Erin K. Egan, Assistant Attorney General Commercial and Fair Business Section

# MEMORANDUM

TO: Hon. Byron Mallott Lieutenant Governor

## State of Alaska Department of Law

DATE:	February 1, 2018
FILE NO.:	JU2017200115
TELEPHONE NO.:	(907) 465-3600
SUBJECT:	Specific delegation of authority regarding regulations review on Division of Insurance regulations re: motor vehicle service contract providers and administrators (3 AAC 31.060; 3 AAC 31.700 - 3 AAC 31.729)

FROM: Susan R. Pollard Chief Assistant Attorney General and Regulations Attorney Legislation/Regulations Section

By this memorandum, I am delegating my authority as Regulations Attorney under AS 44.62 to Assistant Attorney General Steven C. Weaver for the above-referenced regulations project. Under this delegation of authority, Steven Weaver has my full authority under AS 44.62 to conduct the legal review under AS 44.62 and take necessary actions on this regulations project.

If you have questions, please let me know.

SCW

cc w/enc:

Scott C. Meriwether, AAC Coordinator Office of the Lieutenant Governor

Steven C. Weaver Sr. Assistant Attorney General and Assistant Regulations Attorney Legislation/Regulations Section

#### NOTICE OF PROPOSED CHANGES ON MOTOR VEHICLE SERVICE CONTRACT PROVIDERS AND ADMINISTRATORS IN THE REGULATIONS OF THE DIVISION OF INSURANCE

## BRIEF DESCRIPTION

The Division of Insurance proposes to adopt regulation changes in Title 3 of the Alaska Administrative Code relating to motor vehicle service contract providers and administrators. The proposed regulations establish provider application and administrator registration procedures, requirements, and fees, provider qualifications, and definitions.

The Division of Insurance proposes to adopt regulation changes in Title 3 of the Alaska Administrative Code, dealing with motor vehicle service contract providers and motor vehicle service contract administrators including the following:

3 AAC 31.060 is amended to establish fees for motor vehicle service contract provider initial license applications and biennial renewals and for motor vehicle service contract administrator initial registration applications and biennial renewals.

New sections are proposed as follows:

3 AAC 31.700 describes the applicability of the regulations to motor vehicle service contracts, motor vehicle service contract providers, and motor vehicle service contract administrators.

3 AAC 31.705 establishes the term for an initial motor vehicle service contract provider license and the biennial renewal date for the license.

3 AAC 31.710 identifies the information and fee required in motor vehicle service contract provider license applications and exempts certain employees or agents of a firm licensed as a motor vehicle service contract provider from the licensing requirement. An individual identified in a firm's application as the firm's designated responsible licensed producer must be licensed as a motor vehicle service contract provider.

3 AAC 31.715 establishes motor vehicle service contract provider qualifications.

3 AAC 31.720 identifies the information and fee required in motor vehicle service contract administrator registration applications.

3 AAC 31.725 defines "consumer", "firm", and "individual".

You may comment on the proposed regulation changes, including the potential costs to private persons of complying with the proposed changes, by submitting written comments to the Division of Insurance; Attention: Chris Murray, P.O. Box 110805, Juneau, AK 99811-0805 or by e-mail to <u>chris.murray@alaska.gov</u>; or by fax to (907) 465-2816. Comments may also be submitted through the Alaska Online Public Notice System, by accessing this notice on the

system and using the comment link. All comments must be received **not later than 5:00 p.m.**, Alaska Time Zone (ATZ), April 28, 2017.

Oral or written comments also may be submitted at a hearing to be held on April 18, 2017 in conference room B which is on the ninth floor of the State Office Building located at 333 Willoughby Ave., Juneau, Alaska. The hearing will be held from 9:30 a.m. to 10:30 a.m., ATZ, and may be extended to accommodate those present before 10:30 a.m. who did not have an opportunity to comment. If you are unable to attend the meeting in person and would like to participate by teleconference, please call 1-800-315-6338 and enter the access code 42070 followed by # (pound sign).

You may submit written questions relevant to the proposed action to Chris Murray, Program Coordinator II, Division of Insurance, P. O. Box 110805, Juneau, AK 99811-0805 or by e-mail to <u>chris.murray@alaska.gov</u>. The questions must be received at least 10 days before the end of the public comment period. The division will aggregate its response to substantially similar questions and make the questions and response available on the division's website at <u>https://www.commerce.alaska.gov/web/ins/Resources/Notices.aspx</u> and on the Alaska Online Public Notice System. The division may, but is not required to, answer written questions received after the 10-day cut-off date and before the end of the comment period.

If you are a person with a disability who needs a special accommodation in order to participate in the process, please contact Laura Watson at <u>laura.watson@alaska.gov</u>, (907) 465-2597 or TDD (907) 465-5437 not later than **April 13, 2017** to ensure that any necessary accommodations can be provided.

A copy of the proposed regulation changes is available on the Alaska Online Public Notice System, or by contacting Chris Murray at <u>chris.murray@alaska.gov</u> or (907) 465-2545, or by accessing the division's website at

https://www.commerce.alaska.gov/web/ins/Resources/Notices.aspx.

After the public comment period ends, the Division of Insurance will either adopt the proposed regulation changes or other provisions dealing with the same subject, without further notice, or decide to take no action. The language of the final regulation may be different from that of the proposed regulation. YOU SHOULD COMMENT DURING THE TIME ALLOWED IF YOUR INTERESTS COULD BE AFFECTED. Written comments and questions received are public records and are subject to public inspection.

Statutory Authority: AS 21.06.090; AS 21.59.200. Statutes Being Implemented, Interpreted, or Made Specific: AS 21.59.110 – AS 21.59.290. Fiscal Information: This action is not expected to require an increased appropriation.

DATE: March \_\_\_\_\_, 2017.

Lori Wing-Heier Director of Insurance

#### ADDITIONAL REGULATION NOTICE INFORMATION (AS 44.62.190(d))

- 1. Adopting agency: <u>Division of Insurance, Department of Commerce, Community, and</u> Economic Development
- 2. General subject of regulation: <u>3 AAC 31 is being amended to establish motor vehicle</u> service contract provider application and administrator registration procedures, requirements, and fees, provider qualifications, and definitions
- 3. Citation of regulation (may be grouped): <u>3 AAC 31.060; 3 AAC 31.700 3 AAC 31.725</u>

- 4. Department of Law file number, if any:\_\_\_\_\_
- 5. Reason for the proposed action:
  - () Compliance with federal law or action (identify):\_\_\_\_\_
  - (X) Compliance with new or changed state statute
  - () Compliance with federal or state court decision (identify):\_\_\_\_\_
  - ( ) Development of program standards
  - ( ) Other (identify):
- 6. Appropriation/Allocation: na
- 7. Estimated annual cost to comply with the proposed action to:

A private person: <u>Persons desiring to market, offer for sale, sell, issue, or make a motor</u> vehicle service contract in this state will be required to file an application with the division of insurance and pay an initial application and biennial renewal fee of \$300. <u>Persons desiring to administer a motor vehicle service contract or motor vehicle service</u> plan will be required to register with the division of insurance and pay an initial application for and biennial renewal of a motor vehicle service contract administrator registration fee of \$75.

Another state agency: <u>None are anticipated</u> A municipality: None are anticipated

8. Cost of implementation to the state agency and available funding (in thousands of dollars):

	Initial Year	Subsequent
	FY <u>17</u>	Years
Operating Cost	\$_0	\$_0

Capital Cost	\$	\$_0
1002 Federal receipts	\$_0	\$_0
1003 General fund match	\$_0	\$_0
1004 General fund	\$_0	\$_0
1005 General fund/		
program	\$ <u>0</u>	\$_0
Other (identify)	\$_0	\$_0

9. The name of the contact person for the regulation:

Name: <u>Chris Murray</u> Title: <u>Program Coordinator II</u> Address: <u>Division of Insurance P.O. Box 110805</u>, Juneau, AK. 99811-0805 Telephone: (907) 465-2545 E-mail address: <u>chris.murray@alaska.gov</u>

- 10. The origin of the proposed action:
  - \_X\_\_\_ Staff of state agency
  - Federal government
  - \_\_\_\_\_ General public
  - \_\_\_\_\_ Petition for regulation change
  - X\_\_\_\_ Other (identify): AS 21.59.110 21.59.290

Date: March 1, 2017 Prepared by: Chy Wayne 11. [signature]

Name (printed): Chip Wagoner Title (printed):\_Regulations Specialist II Telephone: (907) 465-8486

### AFFIDAVIT OF NOTICE OF PROPOSED REGULATION AND FURNISHING OF ADDITIONAL INFORMATION

I, Chip Wagoner, Regulations Specialist II of the Division of Insurance, being sworn, state the following:

As required by AS 44.62.190, notice of the proposed adoption of changes to 3 AAC 31.060 and 3 AAC 31.700 - 3 AAC 31.725, and dealing with motor vehicle service contract providers and motor vehicle service contract administrators has been given by being

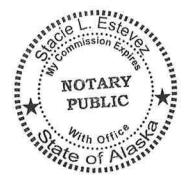
- (1) published in a newspaper or trade publication;
- (2) furnished to interested persons;
- (3) furnished to appropriate state officials;
- (4) furnished to the Department of Law, along with a copy of the proposed regulation;
- (5) furnished electronically to incumbent State of Alaska legislators;
- (6) furnished to the Legislative Affairs Agency, Division of Legal and Research Services;
- (7) posted on the Alaska Online Public Notice System as required by AS 44.62.175(a)(1) and (b) and 44.62.190(a)(1);
- (8) furnished electronically, along with a copy of the proposed regulation, to the Legislative Affairs Agency, the chair of the Labor and Commerce Committee of the Alaska Senate and House of Representatives, the Administrative Regulation Review Committee, and the legislative council.

As required by AS 44.62.190, additional regulation notice information regarding the proposed adoption of the regulation changes described above has been furnished to interested persons and those in (5) and (6) of the list above. The additional regulation notice information also has been posted on the Alaska Online Public Notice System.

Date: November 30, 2017

Chip Wagoner, Regulations Specialist II

Subscribed and sworn to before me at Juneau Alaska on November 2017.



Notary Public in and for the State of Alaska

#### STATE OF ALASKA

) ) ss.

FIRST JUDICIAL DISTRICT

### AFFIDAVIT OF ORAL HEARING

I, Chip Wagoner, Regulations Specialist II for the Division of Insurance being duly sworn, state the following:

On April 28, 2017, at 9:30 a.m., in Conference Room B on the ninth floor of the State Office Building located at 333 Willoughby Ave., Juneau, Alaska, I presided over a public hearing held under AS 44.62.210 for the purpose of taking testimony in connection with the adoption of changes to 3 AAC 31.060 and 3 AAC 31.700 - 3 AAC 31.725 dealing with motor vehicle service contract providers and motor vehicle service contract administrators.

August 3, 2017 Date:

Chip Wagoner

Subscribed and sworn to before me this  $3^{-1}$  day of August, 2017



Notary Public in and for the State of Alaska My commission expires:

#### STATE OF ALASKA

) ) ss.

FIRST JUDICIAL DISTRICT

### AFFIDAVIT OF AGENCY RECORD OF PUBLIC COMMENT

I, Chip Wagoner, Regulations Specialist II for the Division of Insurance being duly sworn, state the following:

In compliance with AS 44.62.215, the division of insurance has kept a record of its use or rejection of factual or other substantive information that was submitted in writing and orally as public comment and that was relevant to the accuracy, coverage, or other aspect of the division of insurance regulation on motor vehicle service contract providers and administrators.

Date: November <u>30</u>, 2017

Chip Wagoner, Regulations Specialist II

Subscribed and sworn to before me this 30 day of November, 2017



Notary Public in and for the State of Alaska My commission expires: With office

# AFFIDAVIT OF PUBLICATION

#### STATE OF ALASKA

#### THIRD JUDICIAL DISTRICT

#### Emma Dunlap

being first duly sworn on oath deposes and says that he/she is a representative of the Alaska Dispatch News, a daily newspaper. That said newspaper has been approved by the Third Judicial Court, Anchorage, Alaska, and it now and has been published in the English language continually as a daily newspaper in Anchorage, Alaska, and it is now and during all said time was printed in an office maintained at the aforesaid place of publication of said newspaper. That the annexed is a copy of an advertisement as it was published in regular issues (and not in supplemental form) of said newspaper on

#### March 07, 2017

and that such newspaper was regularly distributed to its subscribers during all of said period. That the full amount of the fee charged for the foregoing publication is not in excess of the rate charged private individuals.

Signed

Subscribed and sworn to before me this 7th day of March, 2017

Notary Public in and for The State of Alaska. Third Division Anchorage, Alaska MY COMMISSION EXPIRES

BRITNEY L. THOMPSON

State of Alaska Commission Expires Feb 23, 2019 NOTICE OF PROPOSED CHANGES ON MOTOR VEHICLE SERVICE CONTRACT PROVIDERS AND ADMINISTRATORS IN THE REGULATIONS OF THE DIVISION OF INSURANCE

#### **BRIEF DESCRIPTION**

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The Division of Insurance proposes to adopt regulation changes in Title The Division of insurance proposes to adopt regulation changes in Title 3 of the Alaska Administrative Code, dealing with motor vehicle service contract providers and motor vehicle service contract administrators including the following: 3 AAC 31.060 is amended to establish fees for motor vehicle service contract provider initial license applications and biennial renewals and for motor vehicle service contract administrator initial registration

applications and biennial renewals.

New sections are proposed as follows: 3 AAC 31.700 describes the applicability of the regulations to motor vehicle service contracts, motor vehicle service contract providers, and motor vehicle service contract administrators.

3 AAC 31.705 establishes the term for an initial motor vehicle service contract provider license and the biennial renewal date for the license. 3 AAC 31.710 identifies the information and fee required in motor vehicle service contract provider license applications and exempts certain employees or agents of a firm licensed as a motor vehicle service contract provider from the licensing requirement. An individual identified in a firm's application as the firm's designated responsible licensed producer must be licensed as a motor vehicle service contract

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AAC 31.715 establishes motor vehicle service contract provider qualifications.
 AAC 31.720 identifies the information and fee required in motor vehicle service contract administrator registration applications.
 AAC 31.725 defines "consumer", "firm", and "individual".
 You may comment on the proposed regulation changes, including the potential costs to private persons of complying with the proposed changes, by submitting written comments to the Division of Insurance; Attention: Chris Murray, P.O. Box 110805, Juneau, AK 99811-0805 or by e-mail to chris.murray@alaska.gov; or by fax to (907) 465-2816.
 Comments may also be submitted through the Alaska Online Public Notice System, by accessing this notice on the system and using the comment link. All comments must be received not later than 5:00 p.m., Alaska Time Zone (ATZ), April 28, 2017.
 Oral or written comments also may be submitted at a hearing to be held on April 18, 2017 in conference room B which is on the ninth floor of the State Office Building located at 333 Willoughby Ave., Juneau, Alaska. The hearing will be held from 9:30 a.m. to 10:30 a.m., ATZ, and may be extended to accommodate those present before 10:30 a.m. who did not have an opportunity to comment. If you are unable to attend the meeting in person and would like to participate by teleconference, please call 1-800-315-6338 and enter the access code 42070 followed by # (pound sign).
 You may submit written questions relevant to the proposed action to Chris Murray, Program Coordinator II, Division of insurance, P. O. Box 110805, Juneau, AK 99811-0805 or by e-mail to

or by e-mail to

