

**R590. Insurance, Administration. (Effective 9-28-09)**

**R590-102. Insurance Department Fee Payment Rule.**

**R590-102-1. Authority.**

This rule is adopted pursuant to Subsections 31A-3-103(4) and (5) which require the commissioner to publish the schedule of fees approved by the legislature and to establish deadlines for payment of each of the various fees.

**R590-102-2. Purpose and Scope.**

- (1) The purposes of this rule are to:
  - (a) publish the schedule of fees approved by the legislature;
  - (b) establish fee deadlines; and
  - (c) disclose this information to licensees and the public.
- (2) The rule applies to:
  - (a) all persons engaged in the business of insurance in Utah;
  - (b) all licensees;
  - (c) applicants for licenses, registrations, certificates, or other similar filings; and
  - (d) all persons requesting services provided by the department for which a fee is required.

**R590-102-3. Definitions.**

In addition to the definitions in Title 31A, the following definitions shall apply for the purposes of this rule:

- (1) "Admitted insurers" include: fraternal, health, health maintenance organization, life, limited health plan, motor club, non-profit health service, property-casualty, title insurers, and a prescription drug plan.
- (2) "Agency" means:
  - (a) a person, other than an individual, including a sole proprietorship by which a natural person does business under an assumed name; and
  - (b) an insurance organization required to be licensed under Subsections 31A-23a-301, 31A-25-207, and 31A-26-209.
- (3) "Captive insurer" includes association captive, branch captive, industrial insured captive, pure captive, sponsored captive, and special purpose financial captive.
- (4) "Deadline" means the final date or time:
  - (a) imposed by:
    - (i) statute;
    - (ii) rule; or
    - (iii) order, and
  - (b) by which
    - (i) a payment must be received by the department without incurring penalties for late payment or non-payment; or
    - (ii) required information must be received by the department without incurring penalties for late receipt or non-receipt.
- (5) "Fee" means an amount set by the commissioner, by statute, or by rule and approved by the legislature for licenses, registrations, certificates, and other filings and services provided by the Insurance Department.
- (6) "Full-line agency" includes producer, consultant, independent adjuster, managing general agent, public adjuster,

reinsurance intermediary broker, and third party administrator.

(7) "Full-line individual" includes a producer, consultant, independent adjuster, managing general agent, public adjuster, reinsurance intermediary broker, and third party administrator.

(8) "Limited-line agency" includes bail bond and limited-line producer.

(9) "Limited-line individual" includes bail bond agent, limited-lines producer and customer service representative.

(10) "Other organizations" include: home warranty, joint underwriter, purchasing group, rate service organization, risk retention group, service contract provider, surplus line insurer, accredited reinsurer, trustee reinsurer, employee welfare fund and health discount program.

(11) "Paper application" means an application that must be manually entered into the department's database because the application was submitted by paper, facsimile, or email when the department has provided an electronic application process and stated the electronic process is the preferred process for receiving an application.

(12) "Paper filing" means a filing that must be manually entered into the department's database because the filing was submitted by paper, facsimile, or email when the department has provided an electronic filing process and stated the electronic process is the preferred process for receiving a filing.

(13) "Received by the department" means:

(a) the date delivered to and stamped received by the department, if delivered in person;

(b) the postmark date, if delivered by mail;

(c) the delivery service's postmark date or pick-up date, if delivered by a delivery service; or

(d) the received date recorded on an item delivered, if delivered by:

(i) facsimile;

(ii) email; or

(iii) another electronic method; or

(e) a date specified in:

(i) a statute;

(ii) a rule; or

(iii) an order.

#### **R590-102-4. General Instructions.**

(1) Any fee payable to the department not included in Subsections R590-102-5 through 18, shall be due when service is requested, if applicable, otherwise by the due date on the invoice.

(2) Payment.

(a) A non-electronic payment processing fee will be added to a payment when the department has provided an electronic payment process and stated the electronic process is the preferred process for receiving a payment.

(b) Check.

(i) Checks shall be made payable to the Utah Insurance Department.

(ii) A check that is dishonored in the process of the

collection will not constitute payment of the fee for which it was issued and any action taken based on the payment will be voided.

(iii) Late fees and other penalties, resulting from the voided action will apply until proper payment is made.

(iv) A check payment that is dishonored is a violation of this rule.

(c) Cash. The department is not responsible for un-receipted cash that is lost or misdelivered.

(d) Electronic.

(i) Credit Card.

(A) Credit cards may be used to pay any fee due to the department.

(B) Credit card payments that are dishonored will not constitute payment of the fee and any action taken based on the payment will be voided.

(C) Late fees and other penalties, resulting from the voided action, will apply until proper payment is made.

(D) A credit card payment that is dishonored is a violation of this rule.

(ii) Automated clearinghouse (ACH).

(A) Payers or purchasers desiring to use this method must contact the department for the proper routing and transit information.

(B) Payments that are made in error to another agency or that are not deposited into the department's account will not constitute payment of the fee and any action taken based on the payment will be voided.

(C) Late fees and other penalties resulting from the voided action will apply until proper payment is made.

(D) An ACH payment that is dishonored is a violation of this rule.

(3) Retaliation. The fees enumerated in this rule are not subject to retaliation in accordance with Section 31A-3-401 if other states or countries impose higher fees.

(4) Refunds.

(a) All fees in this rule are non-refundable.

(b) Overpayments of fees are refundable.

(c) Requests for return of overpayments must be in writing.

(5) A non-electronic processing fee will be assessed for a particular service if the department has established an electronic process for that service. See R590-102-15.

#### **R590-102-5. Admitted Insurer and Prescription Drug Plan Fees.**

(1) Annual license fees:

(a) certificate of authority, initial license application - due with license application: \$1,000;

(b) certificate of authority - renewal - due by the due date on the invoice: \$300;

(c) certificate of authority - late renewal - due for any renewal paid after the date on the invoice: \$350;

(d) certificate of authority - reinstatement - due with application for reinstatement: \$1,000.

(2) Other license fees:

(a) certificate of authority - amendments - due with request

for amendment: \$250;

(b)(i) Form A - application for merger, acquisition, or change of control, due with filing: \$2,000.

(ii) Expenses incurred for consultant(s) services necessary to evaluate a Form A will be charged to the applicant and due by the due date on the invoice;

(c) redomestication filing - due with filing: \$2,000; and

(d) application for organizational permit for mutual insurer to solicit applications for qualifying insurance policies or subscriptions for mutual bonds or contribution notes - due with application: \$1,000.

(3) The annual initial or annual renewal license fee includes the following licensing services for which no additional fee is required:

(a) filing annual statement and report of Utah business - due annually on March 1;

(b) filing holding company registration statement - Form B;

(c) filing application for material transactions between affiliated companies - Form D;

(d) application for: stock solicitation permit, public offering filing, but not an SEC filing; an SEC filing; private placement offering; and

(e) application for individual license to solicit in accordance with the stock solicitation permit.

(4) Annual service fee:

(a) Due annually by the due date on the invoice.

(b) A prescription drug plan is exempted from payment of a service fee.

(c) The fee is based on the Utah premium as shown in the latest annual statement on file with the National Association of Insurance Commissioners (NAIC) and the department. Fee calculation example: the 2004 annual service fee calculation will use the Utah premium shown in the December 31, 2003 annual statement.

(d) Fee schedule:

(i) \$0 premium volume: no service fee;

(ii) more than \$zero but less than \$1 million in premium volume: \$700;

(iii) \$1 million but less than \$3 million in premium volume: \$1,100;

(iv) \$3 million but less than \$6 million in premium volume: \$1,550;

(v) \$6 million but less than \$11 million in premium volume: \$2,100;

(vi) \$11 million but less than \$15 million in premium volume: \$2,750;

(vii) \$15 million but less than \$20 million in premium volume: \$3,500; and

(viii) \$20 million or more in premium volume: \$4,350.

(e) The annual service fee includes the following services for which no additional fee is required:

(i) filing of amendments to articles of incorporation, charter, or bylaws;

(ii) filing of power of attorney;

- (iii) filing of registered agent;
  - (iv) affixing commissioner's seal and certifying any paper;
  - (v) filing of authorization to appoint and remove agents;
  - (vi) filing of producer/agency appointment with an insurer - initial;
  - (vii) filing of producer/agency appointment with an insurer - termination;
  - (viii) report filing, all lines of insurance;
  - (ix) rate filing, all lines of insurance; and
  - (x) form filing, all lines of insurance.
- (f) The annual service fee is for services that the department will provide for an admitted insurer during the year. The fee is paid in advance of providing the services.
- (5) Other fees:
- (a) E-commerce fee: (see R590-102-17).
  - (b) Insurer examination costs reimbursements from examined insurers - due by due date on the invoice: actual costs plus overhead expense.

**R590-102-6. Other Organization, Surplus Lines Insurer, Accredited Reinsurer, Trusteed Reinsurer, and Employee Welfare Fund Fees.**

- (1) Annual license fee:
  - (a) other organization:
    - (i) initial - due with application: \$250;
    - (ii) renewal - due annually by the due date on the invoice: \$200;
    - (iii) late renewal - due for any renewal paid after the date on the invoice: \$250;
    - (iv) reinstatement - due with application for reinstatement: \$250;
    - (v) The annual other organizations initial or renewal fee includes the risk retention group annual statement filing - due annually on May 1.
  - (b) surplus line insurer, accredited reinsurer, trusteed reinsurer, and employee welfare fund:
    - (i) initial - due with application \$1,000.
    - (ii) renewal - due annually by the due date on the invoice: \$300;
    - (iii) late renewal - due for any renewal paid after the date on the invoice: \$300;
    - (iv) reinstatement - due with application for reinstatement: \$1,000;
    - (v) The annual initial or renewal surplus line license fee includes the surplus lines annual statement filing for:
      - (A) U.S. companies - due annually on May 1; and
      - (B) foreign companies - due within 60 days of the annual statement's filing with the insurance regulatory authority where the company is domiciled.
    - (vi) The annual initial or renewal accredited reinsurer and trusteed reinsurer license fee includes the annual statement filing - due annually on March 1.
- (2) Annual service fee:
  - (a) Other organization - due annually by the due date on the invoice: \$200.

(b) Surplus lines insurer, accredited reinsurer, trustee reinsurer, and employee welfare fund - due annually by the due date on the invoice: \$200

(c) The annual service fee includes the following services for which no additional fee is required:

- (i) filing of power of attorney;
- (ii) filing of registered agent; and
- (iii) rate, form, report or service contract filing.

(d) The annual service fee is for services that the department will provide during the year. The fee is paid in advance of providing the services.

(3) Other fees: E-commerce fee: see R590-102-17.

**R590-102-7. Captive Insurer Fees.**

(1) Initial license application - due with license application: \$200.

(2) Initial license application review - due by the due date on the invoice: actual costs incurred by the department to review the application.

(3) Annual license fees:

(a) initial - due by the due date on the invoice: \$5,000;

(b) renewal - due by the due date on the invoice: \$5,000;

(c) late renewal - due for any renewal paid after the date on the invoice: \$5,050;

(d) reinstatement - due with application for reinstatement: \$5,050.

(4) Other fees:

(a) e-commerce fee: see R590-102-17.

(b) Examination costs reimbursements from examined captive insurers - due by due date on the invoice: actual costs plus overhead expense.

**R590-102-8. Life Settlement Provider Fees.**

(1) Annual license fees:

(a) initial - due with application: \$1,000;

(b) renewal - due by the due date on the invoice: \$300;

(c) late renewal - due for any renewal paid after the date on the invoice: \$350;

(d) reinstatement - due with reinstatement application: \$1,000.

(2) Annual service fee - due by the due date on the invoice: \$600.

(a) The annual service fee includes the following service for which no additional fee is required: rate, form, report or service contract filing.

(b) The annual service fee is for services that the department will provide during the year. The fee is paid in advance of providing the services.

(3) Other fees:

(a) e-commerce fee: see R590-102-17.

(b) Examination costs reimbursements from examined viatical settlement providers - due by due date on the invoice: actual costs plus overhead expense.

**R590-102-9. Professional Employer Organization (PEO) Fees.**

- (1) Annual license fees:
  - (a) PEO - not certified by an assurance organization:
    - (i) initial - due with application: \$2,000;
    - (ii) renewal - due by the due date on the invoice: \$2,000;
    - (iii) late renewal - due for any renewal paid after the date on the invoice: \$2,050;
    - (iv) reinstatement - due with reinstatement application: \$2,050;
  - (b) PEO - certified by an assurance organization:
    - (i) initial - due with application: \$2,000;
    - (ii) renewal - due by the due date on the invoice: \$1,000;
    - (iii) late renewal - due for any renewal paid after the date on the invoice: \$1,050;
    - (iv) reinstatement - due with reinstatement application: \$1,050;
  - (c) PEO - small operator:
    - (i) initial - due with application: \$2,000;
    - (ii) renewal - due by the due date on the invoice: \$1,000;
    - (iii) late renewal - due for any renewal paid after the date on the invoice: \$1,050;
    - (iv) reinstatement - due with reinstatement application: \$1,050.
- (2) E-commerce fee: see R590-102-17.

**R590-102-10. Individual Resident and Non-Resident License Fees.**

- (1) Biennial resident and non-resident full-line individual initial license or renewal fee:
  - (a) initial license fee - due with application: \$70;
  - (b) renewal license fee if renewed prior to license expiration date - due with renewal application: \$70;
  - (c) reinstatement license fee if inactive license is reinstated within one year following the license expiration date - due with application for reinstatement: \$120.
- (2) Biennial resident and non-resident limited-line individual initial or renewal license fee:
  - (a) initial license fee - due with application: \$45;
  - (b) renewal license fee if renewed prior to license expiration date - due with renewal application: \$45;
  - (c) reinstatement license fee if inactive license is reinstated within one year following the license expiration date - due with application for reinstatement: \$95.
- (3) Other license fees: addition of producer classification or line of authority to individual producer license - due with request for additional classification or line of authority: \$25.
- (4) The biennial initial and renewal full-line producer and limited-line producer fee includes the following services for which no additional fee is required:
  - (a) issuance of letter of certification;
  - (b) issuance of letter of clearance;
  - (c) issuance of duplicate license;
  - (d) individual continuing education services.
- (5) The biennial initial and renewal individual license fee includes services the department will provide during the year.

The fee is paid in advance of providing the services.

(6) Other fees:

(a) e-commerce fee: see R590-102-17.

(b) title insurance product or service approval for dual licensed title licensee form filing fee - due with filing: \$25.

**R590-102-11. Agency License Fees, Other than Bail Bond Agencies.**

(1) Biennial resident and non-resident agency initial or renewal license for a full-line agency and for a limited-line agency:

(a) initial license fee - due with application: \$75;

(b) renewal license fee if renewed prior to license expiration date - due with renewal application: \$75;

(c) reinstatement license fee if inactive license is reinstated within one year following the license expiration date - due with application for reinstatement: \$125;

(d) resident title license:

(i) initial license fee - due with application: \$100;

(ii) renewal license fee, if renewed prior to license expiration date - due with renewal application: \$100.

(2) Other license fees: addition of producer classification or line of authority to agency license - due with request for additional classification or line of authority: \$25.

(3) The biennial initial and renewal agency license fee includes the following services for which no additional fee is required:

(a) issuance of letter of certification;

(b) issuance of letter of clearance;

(c) issuance of duplicate license;

(d) filing of producer designation to agency license - initial;

(e) filing of producer designation to agency license - termination;

(f) filing of amendment to agency license; and

(g) filing of power of attorney.

(4) Other fees:

e-commerce fee: see R590-102-17.

**R590-102-12. Bail Bond Agency.**

(1) Annual bail bond agency per annual license period:

(a) initial license fee - due with application: \$250;

(b) renewal license fee if renewed prior to license expiration date - due with renewal application: \$250;

(c) reinstatement license fee if inactive license is reinstated within one year following the license expiration date - due with application for reinstatement: \$300.

(2) The annual initial and renewal agency license fee includes the following services for which no additional fee is required:

(a) issuance of letter of certification;

(b) issuance of letter of clearance;

(c) issuance of duplicate license;

(d) filing of producer designation to agency license - initial;

- (e) filing of producer designation to agency license - termination;
- (f) filing of amendment to agency license; and
- (g) filing of power of attorney.
- (3) Other fees: E-commerce fee: see R590-102-17.

**R590-102-13. Health Insurance Purchasing Alliance.**

- (1) Annual license fee:
  - (a) initial - due with application: \$500;
  - (b) renewal - due by the due date on the invoice: \$500;
  - (c) late renewal - due for any renewal paid after the date of the invoice: \$550; and
  - (d) reinstatement - due with application for reinstatement: \$500.
- (2) E-commerce fee: see R590-102-17.

**R590-102-14. Continuing Education Fees.**

- (1) Annual continuing education provider license fees per annual license period:
  - (a) initial license fee - due with application: \$250;
  - (b) renewal license fee if renewed prior to license expiration date - due with renewal application: \$250;
  - (c) reinstatement license fee if inactive license is reinstated within one year following the license expiration date - due with application for reinstatement - due with application for reinstatement: \$300.
- (2) Continuing education course post-approval fee - due with request for approval: \$5 per credit hour, minimum fee \$25.

**R590-102-15. Non-electronic Processing or Payment Fees.**

- (1) Non-electronic filing processing fee - assessed on a non-electronic filing when the department has provided an electronic filing process and stated the electronic process is the preferred process for receiving a filing - due with each paper non-electronic filing or by the due date on the invoice: \$5.
- (2) Non-electronic application processing fee - assessed on a non-electronic application when the department has provided an electronic application process and stated the electronic process is the preferred process for receiving an application - due with each paper non-electronic application or by the due date on the invoice: \$25.
- (3) Non-electronic payment processing fee - assessed on a non-electronic payment when the department has provided an electronic payment process and stated the electronic process is the preferred process for receiving a payment - due with each non-electronic payment or by the due date on the invoice: \$25.

**R590-102-16. Dedicated Fees.**

The following are fees dedicated to specific uses:

- (1) annual fraud assessment fee as calculated under Section 31A-31-108 and stated in the invoice - due by the due date on the invoice;
- (2) annual title insurance regulation assessment fee as calculated under Section 31A-23a-415 and Rule R592-10 and stated

in the invoice - due by the due date on the invoice;

(3) annual title assessment for the Title Recovery, Education, and Research Fund fee:

(a) individual title licensee applicant for initial license or renewal license - due with the initial application or the renewal application: \$15;

(b) agency title licensee applicant - due with the initial application: \$1,000.

(c) annual agency title licensee assessment based on annual written title insurance premium - due by the due date on the invoice:

(i) Band A: \$0 to \$1 million: \$125;

(ii) Band B: more than \$1 million to \$10 million: \$250;

(iii) Band C: more than \$10 million to \$20 million: \$375;

(iv) Band D: more than \$20 million: \$500.

(4) relative value study book fee - due when book purchased or by invoice due date: \$10;

(5) mailing fee for books - due if book is to be mailed to purchaser: \$3;

(6) fingerprint fee - due with application for individual license:

(a) Bureau of Criminal Investigation (BCI): \$15.00; and

(b) Federal Bureau of Investigation (FBI): \$19.25; and

#### **R590-102-17. Electronic Commerce Dedicated Fees.**

(1) E-commerce and internet technology services fee:

(a) admitted insurer and surplus lines insurer - due with the initial, annual renewal, or reinstatement application: \$75;

(b) captive insurer - due with the initial, annual renewal, or reinstatement application: \$250;

(c) other organization, professional employer organization, and life settlement provider - due with the initial, annual renewal, or reinstatement application: \$50;

(d) continuing education provider - due with the initial, annual renewal, or reinstatement application: \$20;

(e) agency - due with the initial, biennial renewal, or reinstatement application: \$10;

(f) health insurance purchasing alliance - due with the initial, annual renewal, or reinstatement application: \$10; and

(g) individual - due with the initial, biennial renewal, or reinstatement application: \$5.

(2) Database access fees:

(a) information accessed through an electronic portal set up for that purpose - due when the department's database is accessed to input or acquire data: \$3 per transaction;

(b) rate and form filing database access to an electronic public rate and form filing:

(i) a separate fee is assessed per line of insurance accessed (accident and health, life and annuity, or property-casualty);

(ii) each line of insurance accessed is charged the following fees:

(A) a base fee, which entitles the user up to 30 minutes of access, the assistance of staff during that time, and one DVD -

\$45;

- (B) each additional 30 minutes of access time or fraction thereof, including the assistance of staff during that time - \$45;
- (iii) additional DVD - \$2;
- (iv) payment due at time of service or by the due date on the invoice.

**R590-102-18. Other Fees.**

- (1) photocopy fee - per page: \$.50.
- (2) Complete annual statement copy fee - per statement: \$40.
- (3) Fee for accepting service of legal process: \$10.
- (4) Fees for production of information lists regarding licensees or other information that can be produced by list:
  - (a) printed list, if the information is already in list format and only needs to be printed or reprinted: \$1 per page;
  - (b) electronic list compiled by accessing information stored in the Department's database:
    - (i) a separate fee is assessed for each list compiled;
    - (ii) each list is assessed one or more of the following fees:
      - (A) a base fee, which entitles the requestor up to 30 minutes of staff time to draft the information query, compile the information, prepare a CD, and prepare a CD for mailing to the requestor - \$50, due with request for information;
      - (B) each additional 30 minutes or fraction thereof to draft the information query, compile the information, prepare a CD, and prepare a CD for mailing to the requestor - \$50, due by the due date on the invoice;
      - (iii) additional CD - \$1.00, due by the due date on the invoice.
- (5) Returned check fee: \$20.
- (6) Workers compensation loss cost multiplier schedule: \$5.
- (7) Address correction fee -- assessed when department has to research and enter new address for a licensee -- due by the due date on the invoice: \$35.

**R590-102-19. Severability.**

If any provision of this rule or its application to any person or circumstance is for any reason held to be invalid, the remainder of the rule and the application of this provision to other persons or circumstances shall not be affected.

**KEY: insurance fees**

**Date of Enactment or Last Substantive Amendment: 9-28-2009**

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