
DIGEST

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HB 408 Engrossed

2017 Regular Session

Huval

Abstract: Requires an insurer to provide a new producer of record with a new quotation or proposal regardless of any other outstanding quotation or proposal.

Present law provides that any insurer which issues or delivers property, casualty, accident, or health insurance, or bonds in this state shall recognize a producer of record when selected by the owner of the policy or the first-named insured if there are multiple-named insureds in writing. Proposed law retains present law.

Present law provides that if an insurer receives a producer of record letter for an application, the insurer shall provide any quotations or proposals to the producer. Proposed law changes present law to provide that instead of providing the record containing the quotation or proposal, the insurer must submit a new quotation or proposal to the producer of record as if there are no outstanding proposals.

Present law provides that if the quotation or proposal is approved by the insured, the insurer shall issue the policy with the producer on record. Proposed law retains present law.

Present law requires that if the insurer receives a written request by the insured to change the producer of record, the insurer shall give the initial producer of record written notice 15 days in advance of the change or removal. Proposed law changes this requirement to 10 calendar days.

(Amends R.S. 22:1564(B)(1)(b)-(d))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Insurance to the original bill:

1. Change the time period for an insurer to notify a producer of record of a change or removal of producer of record from 15 days to 10 calendar days.
2. Clarify that property, casualty, and bond commissions shall be paid to the producer of record at policy inception for the full term of the policy.
3. Make technical changes.