

HOUSE SUMMARY OF SENATE AMENDMENTS

HB 503

2017 Regular Session

Thibaut

INSURERS/AGENTS: Provides relative to the licensing of insurance producers

Synopsis of Senate Amendments

1. Changes effective date from July 1, 2018, to January 1, 2018.

Digest of Bill as Finally Passed by Senate

Present law provides the following fees for insurance producer licenses:

| | |
|--|----------|
| Life, health, and accident producer; variable annuity producer | |
| First time applicant. | \$75.00 |
| Additional or renewal company appointment (yearly).. | \$20.00 |
| Producer renewal fee (every two years).. | \$50.00 |
| Property and casualty producer | |
| First time applicant. | \$75.00 |
| Additional or renewal company appointment (yearly).. | \$20.00 |
| Producer renewal fee (every two years).. | \$50.00 |
| Limited lines producer | |
| First time applicant. | \$75.00 |
| Each additional line of authority. | \$35.00 |
| Additional or renewal company appointment (yearly).. | \$20.00 |
| Renewal fee (every two years).. | \$50.00 |
| Limited lines credit insurance producer | |
| First time applicant. | \$75.00 |
| Additional or renewal company appointment (yearly).. | \$20.00 |
| Renewal fee (every two years).. | \$50.00 |
| Surplus lines broker | |
| First time applicant. | \$250.00 |
| Renewal fee (every two years).. | \$350.00 |
| Fee for failure to file producer license renewal timely (per license). | \$50.00 |
| Fee for duplicate producer license. | \$15.00 |

Proposed law retains the current fees for surplus lines producers and the fee for failure to timely file a producer license renewal.

Proposed law creates an "all other lines" category of insurance producers for the purpose of unifying the fee structure and renewal periods for the following insurance producer licenses: life, health, and annuities; property and casualty; limited lines; and limited lines credit insurance. Proposed law otherwise retains present law regarding the fee structure for producers in these categories.

Proposed law creates the following fee structure for all other lines of producer licenses:

| | |
|--|---------|
| First time applicant. | \$75.00 |
| Application to add lines. | \$50.00 |
| Initial or renewal company appointment (yearly). | \$20.00 |
| Producer renewal fee (every two years): | |
| One line. | \$50.00 |
| Two or more lines. | \$55.00 |

Present law provides that a business entity acting as an insurance producer is required to obtain an insurance producer license and that any person who directly or indirectly controls

10% or more of such entity shall be registered with the Department of Insurance under such business entity's license.

Proposed law changes present law by limiting the requirement to register controlling persons to resident business entities. Proposed law adds a requirement for non-resident business entities to provide that information to the commissioner of insurance upon request.

Effective January 1, 2018.

(Amends R.S. 22:821(B)(3) and 1546(B)(1)(a))