

2015 Regular Session

HOUSE BILL NO. 673

BY REPRESENTATIVE HUVAL

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

INSURANCE: Provides relative to the licensing of consultants

1 AN ACT

2 To amend and reenact R.S. 22:1542(3) and (6) and 1543(B), relative to insurance licensure
3 requirements; to provide that consulting services providing insurance advice or
4 recommendations be licensed as producers; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 22:1542(3) and (6) and 1543(B) are hereby amended and reenacted
7 to read as follows:

8 §1542. Definitions

9 As used in this Subpart, unless the context requires otherwise, the following
10 definitions are applicable:

11 * * *

12 (3) "Commission" shall mean a fee paid to an insurance producer as a
13 percentage of the premium generated by a sold insurance policy, or direct
14 compensation or reward of a producer when the same is calculated as a flat fee,
15 hourly rate, or as a percentage of the premium or on the profit to the principal.

16 * * *

17 (6) "Insurance producer" or "producer" shall mean a person required to be
18 licensed under the laws of this state to sell, solicit, consult, render advice, give
19 recommendations, or negotiate insurance, and includes all persons or business
20 entities otherwise referred to in this Code as "insurance agent" or "agent", or

1 "insurance broker" or "broker", or "insurance solicitor" or "solicitor", or "surplus
2 lines broker".

3 * * *

4 §1543. License required

5 * * *

6 B. No insurance producer shall sell, solicit, consult, render advice, give
7 recommendations, make an application for, procure, negotiate for, or place for
8 others, any policies for any lines of insurance as to which he is not then qualified and
9 duly licensed in this state.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 673 Original

2015 Regular Session

Huval

Abstract: Requires certain consulting services to comply with licensing laws.

Present law provides for definitions regarding the regulation of insurance producers.

Proposed law retains present law and additionally provides that any consulting service providing advice or recommendations regarding insurance products also comply with all applicable state insurance licensing laws and regulations.

Present law provides that an insurance producer shall not sell, solicit, make an application for, procure, negotiate for, or place for others, any policy for lines of insurance for which he is not duly licensed in the state.

Proposed law retains present law and further provides that no producer may consult, render advice, or give recommendations regarding any policy for lines of insurance for which he is not duly licensed in the state.

(Amends R.S. 22:1542(3) and (6) and 1543(B))