

2015 Regular Session

HOUSE CONCURRENT RESOLUTION NO. 222

BY REPRESENTATIVE HUVAL

INSURANCE: Requests the Department of Insurance to study the need to regulate insurance consultants

1 A CONCURRENT RESOLUTION

2 To urge and request the Department of Insurance to study the need to regulate insurance
3 consultants and to report its findings on or before January 15, 2016.

4 WHEREAS, R.S. 22:12 states that no person shall transact a business of insurance
5 in this state without complying with the provisions of the Louisiana Insurance Code; and

6 WHEREAS, R.S. 22:1543 states that no person shall act as an insurance producer
7 unless licensed by the Department of Insurance; and

8 WHEREAS, R.S. 22:1543 further states that no insurance producer shall sell, solicit,
9 make an application for, procure, negotiate for, or place for others, any policies for any lines
10 of insurance as to which he is not then qualified and duly licensed in this state; and

11 WHEREAS, R.S. 22:1545 requires a Louisiana resident applying for an insurance
12 producer license to pass an examination that tests the knowledge of the individual
13 concerning the lines of authority for which application is made, the duties and
14 responsibilities of an insurance producer, and the insurance laws and regulations of this state;
15 and

16 WHEREAS, R.S. 22:1546 allows the commissioner of insurance to require the
17 fingerprints of all applicants for a producer's license and requires the commissioner of
18 insurance to conduct a criminal history record check on each applicant for a producer's
19 license; and

1 WHEREAS, R.S. 22:1554 contains a list of nineteen causes that allow the
2 commissioner of insurance to place on probation, suspend, revoke, or refuse to issue, renew,
3 or reinstate an insurance producer license; and

4 WHEREAS, the requirements for a producer's license contained in the Louisiana
5 Insurance Code are designed to protect the citizens of Louisiana from fraud and ill-practices
6 in the transaction of the business of insurance; and

7 WHEREAS, the commissioner of insurance, pursuant to the provisions of the
8 Louisiana Insurance Code, regulates the licensing and conduct of insurance producers; and

9 WHEREAS, individuals in this state are advertising their services as insurance
10 consultants but are not licensed as insurance producers, are not regulated by the
11 commissioner of insurance, and are not otherwise subject to the provisions of the Louisiana
12 Insurance Code.

13 THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby
14 urge and request the Department of Insurance to conduct a study on the role of insurance
15 consultants and recommend whether insurance consultants should be required to follow the
16 provisions of the Louisiana Insurance Code and be regulated by the commissioner of
17 insurance.

18 BE IT FURTHER RESOLVED that the Department of Insurance shall submit its
19 findings from the study in the form of a report to the House Committee on Insurance and the
20 Senate Committee on Insurance on or before January 15, 2016.

21 BE IT FURTHER RESOLVED that such a study include a review of other states to
22 determine how other states define the business of insurance consulting, whether other states
23 require the licensing of insurance consultants, and whether other states require the regulation
24 of insurance consultants by the commissioner of insurance.

25 BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the
26 commissioner of insurance.

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)]

HCR 222 Original

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Requests the Department of Insurance to study the need to regulate insurance consultants.

Requests a report of its findings on or before January 15, 2016.