

2015 Regular Session

HOUSE CONCURRENT RESOLUTION NO. 222

BY REPRESENTATIVE HUVAL

A CONCURRENT RESOLUTION

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE