2017 Regular Session

HOUSE BILL NO. 408

BY REPRESENTATIVE HUVAL

| 1 | AN ACT |
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| 2 | To amend and reenact R.S. 22:1564(B)(1)(b) through (d), relative to the qualifications and |
| 3 | licensing of insurance producers; to provide with respect to producers on record; to |
| 4 | provide for a change in producer; to require quotations and proposals; to provide |
| 5 | notice; and to provide for related matters. |
| 6 | Be it enacted by the Legislature of Louisiana: |
| 7 | Section 1. R.S. 22:1564(B)(1)(b) through (d) are hereby amended and reenacted to |
| 8 | read as follows: |
| 9 | §1564. Producers of record |
| 10 | * * * |
| 11 | B.(1) |
| 12 | * * * |
| 13 | (b) If the insurer receives a producer of record letter for an application, the |
| 14 | insurer shall provide the <u>new</u> producer of record with a quotation or proposal <u>based</u> |
| 15 | on new applications submitted by the new producer of record regardless of any other |
| 16 | outstanding quotations or proposals. If the quotation or proposal is accepted by the |
| 17 | insured, the insurer shall issue the policy with the designated producer of record. If |
| 18 | the insurer receives a written request by the insured to change the producer of record |
| 19 | on an application, the insurer shall give the initial producer of record written notice |
| 20 | fifteen ten calendar days in advance of the change or removal. If the insurer receives |
| 21 | a request to change a producer of record on an application within fifteen ten calendar |
| 22 | days of the policy inception, the insurer shall provide the required fifteen-day ten- |
| 23 | calendar day notice; however, any required change of producer shall be effective on |
| 24 | the inception date of the policy. |
| | |

ENROLLED

ACT No. 64

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CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

| 1 | (c) If a change or removal of a producer is requested by an insured during |
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| 2 | a policy period, the insurer shall give the producer written notice fifteen ten calendar |
| 3 | days in advance of the change or removal. If the insurer receives a request to change |
| 4 | a producer within the last fifteen ten calendar days of the policy period, the insurer |
| 5 | shall provide the required fifteen-day ten-calendar day notice; however, any required |
| 6 | change of producer shall be effective on the inception date of the renewal policy. |
| 7 | (d) Property, casualty, and bond commissions shall be paid to the original |
| 8 | producer of record at the policy inception for the full term of the policy, unless such |
| 9 | policy is written for more than one year or is continuous until canceled, in which |
| 10 | case commissions shall be paid to the new producer of record starting on the |
| 11 | anniversary rating date when new rates take effect. Accident, health, or benefits |
| 12 | commissions shall be paid to the current producer of record and shall change when |
| 13 | the producer of record changes. |
| 14 | * * * |

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____