

2022 Regular Session

HOUSE BILL NO. 695

BY REPRESENTATIVE WRIGHT

1 AN ACT

2 To amend and reenact R.S. 22:456, 1547(F) and (I)(introductory paragraph),
3 1551(C)(introductory paragraph), (3), and (4), 1564(B)(2), 1573(C), (E), and (G),
4 1575(A)(1), and 1808.4(A)(2), relative to insurance producers and consultants; to
5 provide for appointments of producers; to provide for technical corrections relative
6 to exemptions from examinations, licensing, and continuing education of producers
7 and consultants; to modify terminology relative to accident and health insurance; to
8 provide for technical changes; and to provide for related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 22:456, 1547(F) and (I)(introductory paragraph), 1551(C)
11 (introductory paragraph), (3), and (4), 1564(B)(2), 1573(C), (E), and (G), 1575(A)(1), and
12 1808.4(A)(2) are hereby amended and reenacted to read as follows:

13 §456. Producers; appointment

14 A. Any self-insurer who has been issued a certificate of authority ~~under~~
15 pursuant to this Subpart may contract with and appoint as its representatives in this
16 state, as its producer or producers, any person or persons licensed as a ~~life and health~~
17 ~~producer under~~ producer for the line of accident and health or sickness pursuant to
18 Chapter 5 of this Title, R.S. 22:1541 et seq. No solicitation of insurance shall be
19 made by any producer prior to notification of such self-insurer that its appointment
20 has been recorded by the commissioner ~~of insurance~~. If the commissioner has not
21 notified the self-insurer of his disapproval of a particular producer within thirty days

1 after receipt of the self-insurer's appointment of such producer, the producer
2 thereafter may commence solicitation of insurance.

3 B. ~~On or before the first day of March of each year, each self-insurer shall~~
4 ~~submit to the commissioner of insurance by certified mail an alphabetical list of the~~
5 ~~licensed producers which it wishes to appoint, together with a fee of ten dollars for~~
6 ~~each such appointment. Any appointment shall remain in full force and effect until~~
7 ~~the thirtieth day of April following the date of recordation by the commissioner of~~
8 ~~insurance, unless the license of the appointed producer is revoked by the~~
9 ~~commissioner or until cancelled by the self-insurer upon written notice to the~~
10 ~~producer and the commissioner. To appoint a producer as its agent, the self-insurer~~
11 ~~shall file, in a manner prescribed by the commissioner, a notice of appointment~~
12 ~~within fifteen days from the date the agency contract is executed. Each notice of~~
13 ~~appointment shall include the fee in the amount set forth in R.S. 22:821.~~

14 C. ~~Any self-insurer who violates the provisions of this Section shall be fined~~
15 ~~the sum of ten dollars for each producer's appointment received after the first day of~~
16 ~~March of each year. If any producer is operating or intends to operate its business~~
17 ~~affairs as a partnership, corporation, or other business entity, the appointments in this~~
18 ~~Section may be issued by a self-insurer in the name of the partnership, corporation,~~
19 ~~or other business entity if all persons in the partnership, corporation, or other~~
20 ~~business entity actively engaged in soliciting, negotiating, or effecting contracts of~~
21 ~~insurance or renewals thereof also hold an active producer license issued in~~
22 ~~accordance with the provisions of R.S. 22:1541 et seq. and are registered pursuant~~
23 ~~to R.S. 22:1546(B).~~

24 D. ~~An appointment as provided for in this Section remains effective until the~~
25 ~~following date of renewal, unless the license of the named appointed producer is~~
26 ~~revoked by the commissioner as provided for in R.S. 22:1541 et seq., or until~~
27 ~~canceled by the self-insurer upon written notice to the producer with a copy thereof~~
28 ~~filed with the commissioner.~~

29 E. ~~Appointments for individual producers expire on January first of each year~~
30 ~~and a self-insurer shall submit to the commissioner, in a manner prescribed by the~~

1 commissioner, a list of appointed individual producers which it intends to reappoint
2 no later than the expiration date of January first and the fee in the amount set forth
3 in R.S. 22:821.

4 F. Appointments for a business entity expire on August first of each year and
5 a self-insurer shall submit to the commissioner, in a manner prescribed by the
6 commissioner, a list of appointed business entity producers which it intends to
7 reappoint no later than the expiration date of August first and the fee in the amount
8 set forth in R.S. 22:821.

9 G.(1) Any self-insurer which issues or delivers a policy or contract of
10 insurance pursuant to the application or request of a producer who is not appointed
11 to represent the self-insurer as a producer shall be deemed to have authorized such
12 producer to act on the self-insurer's behalf. The payment to such a producer shall be
13 payment to the self-insurer with all resultant obligations and duties.

14 (2) This Subsection establishes an agency relationship only for the matter of
15 premiums collected pursuant to the provisions of this Section.

16 * * *

17 §1547. License

18 * * *

19 F. The license shall state the name and ~~mailing~~ business address of the
20 licensee, date of issuance, the renewal or expiration date, the line or lines of
21 insurance covered by the license, and such other information as the commissioner
22 ~~of insurance~~ deems necessary.

23 * * *

24 I. Any licensed property and casualty or ~~health and~~ accident and health or
25 sickness insurance producer maintaining an office at a designated location in this
26 state and having at least two years experience in the insurance business with an
27 insurer or as an insurance producer may be licensed as a surplus lines broker as
28 follows:

29 * * *

1 §1551. Exemption from examination

2 * * *

3 C. The following resident applicants ~~shall be~~ are exempt from the
4 requirement of an examination:

5 * * *

6 (3) Any applicant ~~who shall be licensed~~ for a license to act only as a
7 producer with respect to life, ~~health, and or~~ accident and health or sickness insurance
8 on borrowers or debtors or with respect to property and casualty insurance on
9 collateral and involuntary unemployment, commonly known as credit insurance.

10 (4) Any applicant ~~who shall be licensed~~ for a license to act only as a producer
11 with respect to travel insurance.

12 * * *

13 §1564. Producers of record

14 * * *

15 B.

16 * * *

17 (2) Except as ~~provided in Paragraph (1) of this Subsection~~ upon the specific,
18 written instruction of the owner of the policy or the first-named insured, no insurer
19 or producer shall cancel and rewrite any such ~~contracts~~ contract during the term of
20 such contract or until the renewal date of the contract, whichever occurs first, which
21 would change the producer of record.

22 * * *

23 §1573. Continuing education requirements

24 * * *

25 C. Life insurance producers and consultants and ~~health~~ accident and health
26 or sickness insurance producers and consultants shall complete twenty-four hours of
27 approved instruction or verifiable approved self-study prior to each renewal of
28 license, with at least three hours dedicated to the subject of ethics. A person who
29 holds a combination of life or ~~health~~ accident and health or sickness insurance
30 producer licenses and life or ~~health~~ accident and health or sickness consultant

1 licenses shall complete a total of twenty-four hours of approved instruction or
2 verifiable approved self-study, with at least three hours dedicated to the subject of
3 ethics.

4 * * *

5 E. For producers authorized to write life, ~~health and~~ or accident and health
6 or sickness insurance and also authorized to write property, casualty, or property and
7 casualty or personal lines insurance business, and consultants authorized to consult
8 on life, ~~health and~~ or accident and health or sickness insurance and also authorized
9 to consult on property, casualty, or property and casualty or personal lines insurance
10 business, the continuing education requirement for renewal of license ~~shall be~~ is
11 twenty-four hours of approved instruction or verifiable approved self-study with at
12 least three hours of approved instruction or verifiable approved self-study dedicated
13 to the subject of ethics and three hours dedicated to the subject of flood insurance.
14 Persons who hold a combination of life, ~~health and~~ accident and health or sickness,
15 property, casualty, or property and casualty insurance producer licenses and life,
16 ~~health and~~ accident and health or sickness, property, casualty, or property and
17 casualty consultant licenses shall complete a total of twenty-four hours of approved
18 instruction or verifiable approved self-study, with at least three hours dedicated to
19 the subject of ethics and three hours dedicated to the subject of flood insurance.

20 * * *

21 G. Producers and consultants licensed for life, ~~health and~~ accident and health
22 or sickness, property, casualty or personal lines may carry over no more than ten
23 excess hours of approved insurance instruction accumulated during one renewal
24 period to be applied to the continuing education requirement for the next renewal
25 period.

26 * * *

27 §1575. Producer training requirements to sell long-term care insurance

28 A.(1) An individual shall not sell, solicit, or negotiate long-term care
29 insurance unless the individual is licensed as an insurance producer for ~~health and~~
30 ~~accident or life~~ or accident and health or sickness and has completed a one-time

1 training course. The training shall meet the requirements set forth in Subsection B
2 of this Section.

3 * * *

4 §1808.4. License

5 A. Unless denied licensure pursuant to R.S. 22:1808.8, persons who have
6 met the requirements of this Part shall be issued an insurance consultant license. An
7 insurance consultant may receive qualification for a license in one or more of the
8 following lines of authority:

9 * * *

10 (2) ~~Health and accident~~ Accident and health or sickness, which provides
11 insurance coverage for sickness, bodily injury, or accidental death, and may include
12 benefits for disability income.

13 * * *

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____