

Existing law provides that it is an unfair trade practice to require or offer any incentive to an insurance producer who represents multiple companies to limit the information provided to consumers on limited benefit plans. Provides for a penalty of \$2,500 to \$5,000, payable to the producer.

New law makes it applicable to information provided to consumers on supplemental benefit plans. Further specifies that any attempt to enforce provisions in a sales agreement, a sales agent agreement, a nonsolicitation agreement, or a noncompetition agreement against such a producer which would result in limiting the information provided by the producer to consumers on limited benefit and supplemental benefit plans is an unfair trade practice in the business of insurance. Makes any such attempt subject to the penalty provided for in existing law.

Existing law provides that it is an unfair trade practice in the business of insurance to require or offer any incentive to a producer who represents multiple companies to limit the number of other insurers that such a producer may represent. Provides for a penalty of up to \$10,000.

New law specifies that any attempt to enforce provisions in a sales agreement, a sales agent agreement, a nonsolicitation agreement, or a noncompetition agreement against such a producer is an unfair trade practice in the business of insurance. Makes any such attempt subject to the penalty provided for in existing law.

New law provides that deliberate use of misrepresentations or false statements to convince a customer to replace a limited benefit insurance policy is an unfair trade practice. New law further provides that the commissioner of insurance shall promulgate regulations regarding the replacement of limited benefit insurance policies.

New law provides that failure to include in any policy or contract of insurance a conspicuous notice that the policy or contract contains defense costs within the limit of liability is an unfair trade practice. Further provides for a penalty of up to \$10,000.

Effective Aug. 1, 2014.

(Amends R.S. 22:1964(24) and (25); Adds R.S. 22:1964(26) and (27))