

2018 Regular Session

HOUSE BILL NO. 641

BY REPRESENTATIVE PIERRE

INSURANCE: Provides relative to the licensing and regulation of insurance producers

1 AN ACT

2 To amend and reenact R.S. 22:1547(A)(2) and (3) and to enact R.S. 22:1547(L), relative to
3 insurance producer licenses; to provide for standardization of lines of authority for
4 producers; to provide for inactivation of a license for failure to designate a licensed
5 individual responsible for compliance; to provide for written notice; to provide for
6 reactivation; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 22:1547(A)(2) and (3) are hereby amended and reenacted and R.S.
9 22:1547(L) is hereby enacted to read as follows:

10 §1547. License

11 A. Unless denied licensure pursuant to R.S. 22:1554, persons who have met
12 the requirements of this Subpart shall be issued an insurance producer license. An
13 insurance producer may receive qualification for a license in one or more of the
14 following lines of authority:

15 * * *

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

19 (3) Variable life and variable annuity ~~products~~.

20 * * *

1 L.(1) When a business entity has no one designated pursuant to R.S.
2 22:1546(B)(2)(b), the commissioner shall notify the business entity in writing, and
3 the business entity shall designate one or more licensed individual producers to be
4 responsible for its compliance with the insurance laws, rules, and regulations of this
5 state.

6 (2) If the business entity fails to designate a licensed individual within thirty
7 days of written notice, the commissioner shall inactivate the license immediately.

8 (3) The commissioner may reactivate the license upon compliance with this
9 Subsection prior to the expiration of the license.

10 (4) Inactivation pursuant to this Subsection shall not be construed as a
11 disciplinary or regulatory action.

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)]

HB 641 Engrossed

2018 Regular Session

Pierre

Abstract: Standardizes the lines of authority for producers and requires inactivation of a license for failure to designate a licensed individual responsible for compliance with state laws and regulations.

Present law requires the Dept. of Insurance to issue an insurance producer license to persons who have met licensure requirements and provides a list of the lines of authority for which an insurance producer may receive qualification for a license.

Proposed law retains present law but updates the terminology for standardization.

Proposed law requires the commissioner of insurance, when a business entity has no one designated to be responsible for compliance with the insurance laws, rules, and regulations of this state, to notify the business entity in writing, and the business entity to designate one or more licensed individual producers to be responsible.

Proposed law requires the commissioner, if the business entity fails to designate a licensed individual within 30 days of written notice, to inactivate the license immediately but provides that inactivation shall not be construed as a disciplinary or regulatory action.

Proposed law authorizes the commissioner to reactivate the license upon compliance prior to the expiration of the license.

(Amends R.S. 22:1547(A)(2) and (3); Adds R.S. 22:1547(L))