## 2017 Regular Session

#### HOUSE BILL NO. 408

### BY REPRESENTATIVE HUVAL

1	AN ACT
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.

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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
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: \_\_\_\_\_