
DIGEST

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Cortez

HB No. 137

Abstract: Authorizes producers and certain policyholders to negotiate any combination of commissions, fees, or fees in lieu of commissions, for certain commercial property and casualty insurance coverages.

Proposed law provides that, notwithstanding any other provision of law in the Insurance Code to the contrary, an insurance producer and a property and casualty insurer may negotiate any combination of commissions and fees, or fees in lieu of commissions, to compensate the insurance producer for the placement of commercial property and casualty insurance coverages if the commercial insurance policyholder meets any one of the following criteria:

- (1) Has total annual property and casualty insurance premiums in excess of \$500,000.
- (2) Obtains insurance coverage with a per occurrence or per claim deductible or self-insured retention of \$50,000 or more for workers' compensation, general liability, or automobile insurance coverages.
- (3) Has a net worth in excess of \$25 million.
- (4) Qualifies as a self-insurer with this state.
- (5) Is a governmental entity that had a contract prior to August 9, 2010, with an insurance producer on a stipulated fee basis for the placement of commercial property and casualty insurance coverages.

(Adds R.S. 22:1567)

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Insurance to the original bill.

1. Provided that an insurance producer may negotiate commissions, fees, or fees in lieu of commissions with both or either a property and casualty insurer or a commercial policyholder.
2. Added to the list of policyholders who may so negotiate producer compensation a governmental entity that had a contract prior to August 9, 2010, with an insurance producer on a stipulated fee basis for the placement of commercial property and casualty insurance coverages.