

State Corporation Commission

2016 Fiscal Impact Statement

1. Bill Number: HB393

House of Origin Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. Patron: Ware

3. Committee: Passed Both Houses

4. Title: Insurance agencies; designated licensed producers.

5. Summary: Insurance agencies; designated licensed producers. Requires that an insurance agency's designated licensed producer responsible for the agency's compliance with insurance laws and regulations be an employee, officer or director of the agency. With respect to a business entity applying for certain types of a limited lines license, the licensed producer designated by the vendor or lessor is not required to be an employee, officer, or director of the vendor or lessor. Business entities acting as an insurance producer are required within 30 calendar days to report (i) the removal of the designated licensed producer responsible for the business entity's compliance with insurance laws, rules, and regulations and (ii) the name of the new designated licensed producer. The State Corporation Commission is authorized to terminate an insurance agency's license for failing to maintain such a designated licensed producer.

6. Budget amendment necessary: No

7. Fiscal Impact Estimates: No Fiscal Impact on the State Corporation Commission

8. Fiscal implications: None on the State Corporation Commission

9. Specific agency or political subdivisions affected: State Corporation Commission Bureau of Insurance

10. Technical amendment necessary: No

11. Other comments: Delegate Ware introduced House Bill 393 at the request of the State Corporation Commission.

Date: 03/8/16/V. Tompkins

cc: Secretary of Commerce and Trade
Secretary of Health and Human Resources