

# 1996 SESSION

INTRODUCED

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## HOUSE BILL NO. 757

Offered January 22, 1996

A *BILL to amend and reenact § 38.2-1839 of the Code of Virginia and to amend the Code of Virginia by adding a section numbered 38.2-1812.1, relating to insurance agents and consultants; placement of insurance for public bodies.*

Patron—Woodrum

Referred to Committee on Corporations, Insurance and Banking

**Be it enacted by the General Assembly of Virginia:**

**1. That § 38.2-1839 of the Code of Virginia is amended and reenacted and that the Code of Virginia is amended by adding a section numbered 38.2-1812.1 as follows:**

*§ 38.2-1812.1. Placement of insurance for public bodies.*

*No agent may provide or offer to provide insurance products to a public body while concurrently and on its behalf (i) evaluating proposals from other insurers and (ii) recommending the placement of insurance.*

*§ 38.2-1839. Contract required; placement of insurance for public bodies.*

A. Any insurance consultant shall enter into a written contract with his client prior to any act as a consultant in this Commonwealth. The contract shall include, without limitation, the amount and basis of any consulting fee and the duration of employment. If the insurance consultant may also receive commissions for soliciting, negotiating, procuring, or effecting insurance as a part of his services in addition to a consulting fee, such information shall be disclosed in the contract.

B. *No insurance consultant may provide or offer to provide insurance products to a public body while concurrently and on its behalf (i) evaluating proposals from other insurers and (ii) recommending the placement of insurance.*

**2. That an emergency exists and this act is in force from its passage.**

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