

SENATE BILL NO. 669

BY SENATOR HEBERT

1 AN ACT

2 To amend and reenact R.S. 22:1547(I)(2) and 1573(G) and to enact R.S. 22:1557(A)(4) and
3 1574, relative to insurance producers; to provide with respect to biannual renewal of
4 surplus lines broker license; to provide for commissions; to provide for carry forward
5 of continuing education hours; to provide for producer training requirements to sell
6 long-term care insurance; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 22:1547(I)(2) and 1573(G) are hereby amended and reenacted and
9 R.S. 22:1557(A)(4) and 1574 are hereby enacted to read as follows:

10 §1547. License

11 * * *

12 I. Any licensed property and casualty insurance producer maintaining an
13 office at a designated location in this state and having at least two years experience
14 in the insurance business with an insurer or as an insurance producer may be licensed
15 as a surplus lines broker as follows:

16 * * *

17 (2) The applicant must submit the required license fee, as authorized by R.S.
18 22:821, for each license year during any part of which the license is in effect. The
19 license shall remain in force until the ~~annual~~ **biannual** renewal date.

20 * * *

21 §1557. Commissions

22 A.

23 * * *

24 **(4) An insurance producer may pay or assign commissions, service fees,**
25 **brokerage fees or other valuable consideration to an insurance agency or to**
26 **persons who are not licensed as producers in Louisiana but are licensed in their**
27 **state of domicile and act only to assist producers licensed in this state in placing**

1 business with insurers authorized to do business in this state.

2 * * *

3 §1573. Continuing education requirements

4 * * *

5 G. No more than ten excess hours of approved property and casualty
6 insurance instruction and no more than ~~six~~ ten excess hours of approved life, health,
7 and accident insurance instruction accumulated during the previous renewal period
8 may be carried forward and applied to the continuing education requirement for the
9 next renewal period.

10 * * *

11 §1574. Producer training requirements to sell long-term care insurance

12 A. (1) An individual shall not sell, solicit or negotiate long-term care
13 insurance unless the individual is licensed as an insurance producer for health
14 and accident or life and has completed a one-time training course. The training
15 shall meet the requirements set forth in Subsection B of this Section.

16 (2) An individual already licensed and selling, soliciting or negotiating
17 long-term care insurance on August 15, 2010 may not continue to sell, solicit or
18 negotiate long-term care insurance unless the individual has completed a one-
19 time training course as set forth in Subsection B of this Section within one year
20 from August 15, 2010.

21 (3) In addition to the one-time training course required in Paragraphs
22 (1) and (2) of this Subsection, an individual who sells, solicits or negotiates long-
23 term care insurance shall complete ongoing training as set forth in Subsection
24 B of this Section.

25 (4) The training requirements of Subsection B of this Section may be
26 approved as continuing education courses under R.S. 22:1573.

27 B. (1) The one-time training required by this Section shall be no less than
28 eight hours and the ongoing training required by this Section shall be no less
29 than four hours every two years.

30 (2) The training required under Paragraph (1) of this Subsection shall

1 consist of topics related to long-term care insurance, long-term care services
2 and, if applicable, qualified state long-term care insurance partnership
3 programs, including but not limited to:

4 (a) State and federal regulations and requirements and the relationship
5 between qualified state long-term care insurance partnership programs and
6 other public and private coverage of long-term care services, including
7 Medicaid.

8 (b) Available long-term services and providers.

9 (c) Changes or improvements in long-term care services or providers.

10 (d) Alternatives to the purchase of private long-term care insurance.

11 (e) The effect of inflation on benefits and the importance of inflation
12 protection.

13 (f) Consumer suitability standards and guidelines.

14 (3) The training required by this Section shall not include training that
15 is insurer or company product specific or that includes any sales or marketing
16 information, materials, or training, other than those required by state or federal
17 law.

18 C. (1) Insurers shall obtain verification that a producer receives training
19 required by Subsection A of this Section before a producer is permitted to sell,
20 solicit or negotiate the insurer's long-term care insurance products, maintain
21 records subject to the state's record retention requirements, and make such
22 verification available to the commissioner upon request.

23 (2) Insurers shall maintain records with respect to the training of its
24 producers concerning the distribution of its partnership policies that will allow
25 the state insurance department to provide assurance to the state Medicaid
26 agency that producers have received the training contained in Subparagraph
27 (B)(2)(a) of this Section as required by Subsection A of this Section and that
28 producers have demonstrated an understanding of the partnership policies and
29 their relationship to public and private coverage of long-term care, including
30 Medicaid, in this state. The aforementioned records shall be maintained in

1 accordance with the state's record retention requirements and shall be made
2 available to the commissioner upon request.

3 D. The satisfaction of said training requirements in any state shall be
4 deemed to satisfy the training requirements in this state.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____