

SB 70 – AS INTRODUCED

2013 SESSION

13-0954
01/04

SENATE BILL **70**

AN ACT relative to the appointment of insurance agents and repealing a fee for insurance producers.

SPONSORS: Sen. Sanborn, Dist 9

COMMITTEE: Commerce

ANALYSIS

This bill clarifies the process of appointing insurance producers as agents of insurers.

This bill also repeals the termination fee for insurance producers.

Explanation: Matter added to current law appears in ***bold italics***.
 Matter removed from current law appears [~~in brackets and struck through~~]
 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Thirteen

AN ACT relative to the appointment of insurance agents and repealing a fee for insurance producers.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 Insurance Producers. Amend RSA 402-J:14, I-III to read as follows:

2 I. An insurance producer shall not act as an agent of an insurer unless the insurance
3 producer ***or entity which employs the insurance producer*** becomes an appointed agent of that
4 insurer. An insurance producer who is not acting as an agent of an insurer is not required to become
5 appointed.

6 II.(a) ~~[To appoint]~~ ***An insurer may appoint*** a producer as its agent~~[, the appointing~~
7 ~~insurer shall file.]~~ ***by filing*** in a format approved by the commissioner, a notice of appointment
8 within 15 days from the date the agency contract is executed or the first insurance application is
9 submitted. ~~[An insurer may also elect to appoint a producer to all or some insurers within the~~
10 ~~insurer's holding company system or group by the filing of a single appointment request.]~~

11 ***(b) An insurer may elect to appoint a business entity acting as an insurance***
12 ***producer and licensed in accordance with RSA 402-J:6, II as its agent. Appointment of a***
13 ***business entity constitutes the insurer's appointment of each producer employed by the***
14 ***entity and so designated by the entity. Appointment shall be made by filing, in a format***
15 ***approved by the commissioner, a notice of appointment within 15 days from the date the***
16 ***agency contract is executed or the first insurance application is submitted. An entity so***
17 ***appointed shall prepare a list of producers authorized by the entity to act on behalf of the***
18 ***insurer. The list shall be submitted to the insurance department and insurer by February 1***
19 ***each year.***

20 ***(c) An insurer may also elect to appoint a producer to all or some insurers***
21 ***within the insurer's holding company system or group by the filing of a single appointment***
22 ***request.***

23 III. An insurer shall pay an appointment fee, in the amount and method of payment set forth
24 in RSA 400-A:29 for each insurance producer ***or entity*** appointed by the insurer.

25 2 Repeal. RSA 400-A:29, X(g), relative to a termination fee for insurance producers, is repealed.

26 3 Effective Date. This act shall take effect January 1, 2014.