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HOUSE COMMITTEE REPORT

(7)

Date Referred: April 3, 1990

FURTHER REFERRALS:

Date of Committee Action: 5/3/90

The LABOR & COMMERCE Committee considered:

CSSB 273 (FINANCE)

CS SB NO. 273 (Fin)

LICENSING OF INSURANCE AGENTS

"An Act relating to the regulation of insurance agents, general agents, brokers, managers, solicitors, adjusters, and firms; and providing for an effective date."

RECOMMENDATIONS:

- [] be replaced with _____ [] the same title
- [] _____ [] a new title
- [] have attached amendment(s)
- [] do pass
- [] do not pass
- [] no recommendation
- [] individual recommendations
- [] additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(s):
(Dept)

APPROVES PREVIOUS:

(Date/Dept)

- [] fiscal impact _____
- [] zero fiscal note _____
- [] zero with analysis _____

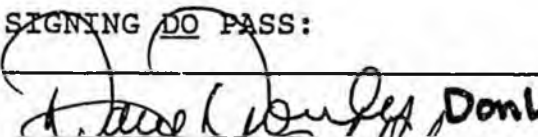



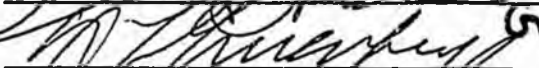
- [] fiscal note(s) _____
- [] zero fiscal note(s) C+ED 3/5/90
- [] zero fn/analysis _____


SIGNING DO PASS:

SIGNING:

(Check approp. column)

Do Not
Pass No Rec Amend

		Do Not Pass	No Rec	Amend
		<input checked="" type="checkbox"/>		
				


Chairman's Signature

STEVE COWPER
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

April 11, 1989

The Honorable Tim Kelly
President of the Senate
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Mr. President:

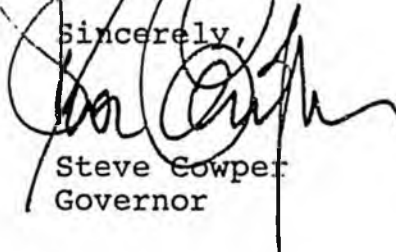
Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to the licensing of insurance agents, brokers, solicitors, and adjusters. This bill will improve and up-date our licensing system.

The proposal is based on a National Association of Insurance Commissioners model Act. The proposal makes a number of changes in the present licensing statutes, the most important of which are the following:

- (1) requires more frequent re-testing of applicants who were previously licensed, by requiring that persons who have dropped out of the industry for more than two years be retested;
- (2) adds educational requirements for licensing by requiring a high school degree or its equivalent;
- (3) allows the director of insurance to establish more educational or experience requirements by regulation;
- (4) increases bond requirements for brokers and their firms;
- (5) limits the term of a trainee adjuster to one year; after that time, a person must obtain a regular adjuster license; and
- (6) limits the use of a "temporary license" to cases involving the disability or death of an agent, general agent, or broker.

The bill contains other, more technical, changes up-dating our statutes. The division of insurance will provide you with a section-by-section analysis.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Cowper", written over the typed name below.

Steve Cowper
Governor

3/23/90

Adopted
by 3FC

CS SB 273 (FIN), relating to regulation of insurance agents.

LEGISLATIVE INTENT

It is the intent of the legislature that regulations prescribed under Sec. 21.27.380 (e) be consistent with recommendations of the National Association of Insurance Commissioners' regulatory model for agent continuing education requirements and standards. It is also the intent of the legislature that the director of the Division of Insurance, Department of Commerce and Economic Development, shall seek the advice of Alaska insurance organizations and associations on appropriate adaptations of the regulatory model.

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Commerce & Econ. Dev.
 Title: An Act relating to the licensing of agents, general agents, brokers, solicitors and adjusters BRU: Insurance
 Sponsor: Rules Committee Components: Operations
 Requestor: Senate Finance

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

No fiscal impact for FY 90.

Prepared by: Joan Brown, Administrative Officer Phone: 465-2597
 Division: Insurance Date: 3/2/90

Approved by Commissioner: Larry Merculieff *LM* Date: 3/1/90
 Agency: Department of Commerce & Economic Development

Distribution (by preparer):

Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

Changes in CSSB 273 (Fin) have no fiscal impact. This fiscal note is appropriate. 3/23/90

5/5 2/1