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HB 282 - Managing General Agent

Division of Insurance
March 1, 1991

The Division of Insurance currently licenses agent, general agents, brokers and solicitors who conduct the business of insurance in Alaska. HB 282 modifies the term "general agent" to the more correct term "managing general agent" and adopts provisions in the National Association of Insurance Commissioners (NAIC) model law which has been adopted as an NAIC accreditation standard.

A managing general agent is a person who has been given authority by an insurance company to make decisions on its behalf regarding some aspect of the business normally conducted by the insurance company such as determining who will be insured, what claims will be paid, which agents will represent the company, etc. The bill;

- amends the term "general agent" to "managing general agent" in several locations of the statute;
- requires that a contract be in place between the managing general agent and the insurance company;
- sets out what the managing general agent may not do; and
- makes adjustments to the definition of persons which must be licensed under this category.

The division needs this legislation to meet accreditation standards of the NAIC. This bill adds requirements to the already existing licensing categories administered by the division.

STATE OF ALASKA
1991 LEGISLATIVE SESSION

III Version: CSHB 282(L&C)
(H) Publish Date: 5/9/91

Revision Date: _____ Department Affected: Commerce & Economic Dev.
 Title: An Act relating to licensing, employing, and the authority of managing general agents BRU: Insurance
 Sponsor: House Labor & Commerce Component: Operations
 Requestor: _____ COMPONENT SERIAL NO.

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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
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						

Estimate of current year impact: _____

ANALYSIS: (Attach a separate page if necessary.)

Prepared By: Don Koch, Chief of Market Surveillance Phone: 465-2572
 Division: Insurance Date: 4/25/91
 Approved by Commissioner: Glenn A. Olds
 Agency: Department of Commerce & Economic Development Date: 4-25-91

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