

Regular Session, 2012

HOUSE BILL NO. 601

BY REPRESENTATIVE RITCHIE

INSURERS/AGENTS: Provides an exception to prohibited acts for insurers and insurance producers for promotional or educational activities

1 AN ACT

2 To enact R.S. 22:1562(I), relative to prohibited acts in the business of insurance; to provide  
3 an exception for promotional and educational activities provided to realtors and real  
4 estate licensees; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 22:1562(I) is hereby enacted to read as follows:

7 §1562. Prohibited acts

8 \* \* \*

9 (I). The prohibitions of this Section shall not have the effect of prohibiting  
10 any professional association of realtors or real estate licensees; or any state, parish,  
11 or local board or association of realtors or real estate licensees; or the Louisiana  
12 Real Estate Commission from utilizing the uncompensated services of any person  
13 who is licensed by the Louisiana Department of Insurance and provides continuing  
14 education for its members or provides any normal promotional or educational  
15 activities that are not conditioned on the referral of business.

16 Section 2. This Act shall become effective upon signature by the governor or, if not  
17 signed by the governor, upon expiration of the time for bills to become law without signature  
18 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
19 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
20 effective on the day following such approval.

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**DIGEST**

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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Ritchie

HB No. 601

**Abstract:** Allows for insurers to provide continuing education or promotional activities to realtors and real estate licensees as long as the activities are not provided in exchange for the referral of business.

Present law prohibits insurers and insurance producers from paying money, commission, or any valuable consideration to any person or business entity who is not duly licensed as an insurance producer or insurer in this state in exchange for services performed relative to selling, soliciting, negotiating, or effecting a contract of insurance.

Proposed law provides an exception to present law which allows insurers to offer continuing education and promotional programs to realtors and real estate licensees, provided that those programs are not offered in exchange for the referral of business.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Adds R.S. 22:1562(I))