

2016 -- S 2211

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LC003619
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2016

A N A C T

RELATING TO INSURANCE

Introduced By: Senator Maryellen Goodwin

Date Introduced: January 27, 2016

Referred To: Senate Health & Human Services

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 27-19-10 of the General Laws in Chapter 27-19 entitled "Nonprofit
2 Hospital Service Corporations" is hereby repealed.

3 ~~27-19-10. Commission plans for solicitors or insurance producers. -- No person shall~~
4 ~~be engaged to solicit subscribers to any nonprofit hospital service plan upon a commission basis~~
5 ~~or upon any other basis by which the payment of the compensation or expenses of that person~~
6 ~~shall be conditioned upon the enrollment of subscribers, unless the method of solicitation and rate~~
7 ~~of compensation shall have had the prior written approval of the insurance commissioner.~~

8 SECTION 2. Section 27-20-10 of the General Laws in Chapter 27-20 entitled "Nonprofit
9 Medical Service Corporations" is hereby repealed.

10 ~~27-20-10. Commission plans for solicitors or insurance producers. -- No person shall~~
11 ~~be engaged to solicit subscribers to any nonprofit medical service plan upon a commission basis~~
12 ~~or upon any other basis by which the payment of the compensation or expenses of the person~~
13 ~~shall be conditioned upon the enrollment of subscribers, unless the method of solicitation and rate~~
14 ~~of compensation shall have had the prior written approval of the director of business regulation.~~

15 SECTION 3. Section 27-20.1-6 of the General Laws in Chapter 27-20.1 entitled
16 "Nonprofit Dental Service Corporations" is hereby repealed.

17 ~~27-20.1-6. Commission plans for solicitors or insurance producers. -- No person shall~~
18 ~~be engaged to solicit subscribers to any nonprofit dental service plan upon a commission basis or~~
19 ~~upon any other basis by which the payment of the compensation or expenses of that person shall~~

1 ~~be conditioned upon the enrollment of subscribers, unless the method of solicitation and rate of~~
2 ~~compensation shall have had the prior written approval of the director of business regulation.~~

3 SECTION 4. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO INSURANCE

1 This act would repeal the requirement that nonprofit hospital, medical and dental service
2 corporations obtain written approval from the insurance commissioner before being allowed to
3 hire persons on a commission basis to solicit subscribers.

4 This act would take effect upon passage.

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