

HOUSE BILL REPORT

SB 5434

As Reported By House Committee On:
Financial Institutions & Insurance

Title: An act relating to the licensing of general agents.

Brief Description: Amending licensing requirements of general agents.

Sponsors: Senators Prentice, Hale and Fraser; by request of Insurance Commissioner.

Brief History:

Committee Activity:

Financial Institutions & Insurance: 3/22/95, 3/23/95 [DP].

HOUSE COMMITTEE ON FINANCIAL INSTITUTIONS & INSURANCE

Majority Report: Do pass. Signed by 14 members: Representatives L. Thomas, Chairman; Beeksma, Vice Chairman; Smith, Vice Chairman; Wolfe, Ranking Minority Member; Grant, Assistant Ranking Minority Member; Benton; Campbell; Costa; Dyer; Huff; Kessler; Mielke; Ogden and Pelesky.

Staff: Charlie Gavigan (786-7340).

Background: Generally, licenses are valid unless revoked by the insurance commissioner, provided the fees are paid timely and other requirements are met. License fees are paid every two years.

A general agent or manager of an insurance company, a person who accepts and approves applications from licensed agents not appointed by the insurance company, must be licensed by the Office of the Insurance Commissioner. The general agent or manager license is valid for one year; it expires March 31. The license fee for general agents or managers is \$50 for a two-year period.

Summary of Bill: The general agent or manager license is treated the same as other insurance licenses; that is, the license is valid unless revoked by the insurance commissioner, provided the fees are paid timely and other requirements are met.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This brings general agents and managers under the same licensing cycle as other licensees. They were inadvertently excluded from legislation last year that established a two-year licensing cycle.

Testimony Against: None.

Testified: Mary Clogston, Office of the Insurance Commissioner (pro).