

ASSEMBLY BILL

No. 2456

Introduced by Assembly Member Miller

February 24, 2012

An act to amend Section 769.55 of the Insurance Code, relating to insurance agents.

LEGISLATIVE COUNSEL'S DIGEST

AB 2456, as introduced, Miller. Insurance: delegation of notice obligation: agents.

Existing law provides that the obligation of an insurer to furnish any notice to its insured may be carried out by an insurer's general agent, provided, however, that an insurer's delegation of a notice obligation to a general agent shall not limit or negate the insurer's responsibility or liability if the general agent fails to provide the required notice. A "general agent" is a licensed fire and casualty broker-agent who manages the transaction of one or more classes of insurance written by the insurer.

This bill would make technical, nonsubstantive changes to this provision.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 769.55 of the Insurance Code is amended
2 to read:
3 769.55. (a) Notwithstanding any other provision of this code,
4 for the purposes of Chapter 6 (commencing with Section 520)
5 through Chapter 11 (commencing with Section 675), inclusive, of

1 Part 1 of Division 1, the obligation of an insurer to furnish any
2 notice to its insured required by law may be carried out by an
3 insurer's general agent, provided, however, that an insurer's
4 delegation of a notice obligation to a general agent shall not limit
5 or negate the insurer's responsibility or liability if the general agent
6 fails to provide the required notice.

7 ~~As~~

8 (b) *As* used in this section, "general agent" means a licensed
9 fire and casualty broker-agent who, pursuant to a written contract
10 with an admitted insurer, manages the transaction of one or more
11 classes of insurance written by the insurer and has the power to
12 (1) appoint, supervise, and terminate local agents, (2) accept or
13 decline risks, and (3) collect premium moneys from producing
14 broker-agents.

15 ~~Nothing~~

16 (c) *Nothing* in this section shall provide an exemption from
17 Article 5.4 (commencing with Section 769.80) to ~~any~~ a fire and
18 casualty broker-agent who is otherwise subject to that article.