

Senate Bill No. 1184

Passed the Senate May 3, 2012

Secretary of the Senate

Passed the Assembly August 16, 2012

Chief Clerk of the Assembly

This bill was received by the Governor this _____ day
of _____, 2012, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to add Section 785.5 to the Insurance Code, relating to senior insurance.

LEGISLATIVE COUNSEL'S DIGEST

SB 1184, Corbett. Senior insurance: veterans benefits.

Existing law requires all insurers, brokers, agents, and others engaged in the transaction of insurance to owe to a prospective insured who is 65 years of age or older, a duty of honesty, good faith, and fair dealing.

This bill would prohibit an insurance broker or agent from participating in, being associated with, or employing any party that participates in, or is associated with, obtaining veterans benefits for a senior, unless the insurance agent or broker maintains procedural safeguards designed to ensure that the agent or broker transacting insurance has no direct financial incentive to refer the policyholder or prospective policyholder to any veterans benefits program offered through the government.

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

SECTION 1. Section 785.5 is added to the Insurance Code, to read:

785.5. An insurance broker or agent shall not participate in, be associated with, or employ any party that participates in, or is associated with, obtaining veterans benefits for a senior, unless the insurance agent or broker maintains procedural safeguards designed to ensure that the agent or broker transacting insurance has no direct financial incentive to refer the policyholder, or prospective policyholder, to any veterans benefits program offered through the government.

Approved _____, 2012

Governor