

Assembly Bill No. 2262

CHAPTER 237

An act to add Section 769.55 to the Insurance Code, relating to insurance.

[Approved by Governor July 20, 1996. Filed with Secretary of State July 22, 1996.]

LEGISLATIVE COUNSEL'S DIGEST

AB 2262, Cunneen. Insurance: agents and brokers.

Existing provisions relating to the general regulation of the business of insurance set forth various requirements as respects the provision of notice by an insurer.

This bill would provide for the purposes of those provisions that the obligation of an insurer to furnish any notice to its insured required by law may be carried out by an insurer's general agent.

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

SECTION 1. Section 769.55 is added to the Insurance Code, to read:

769.55. Notwithstanding any other provision of this code, for the purposes of Chapter 6 (commencing with Section 520) through Chapter 11 (commencing with Section 675), inclusive of Part 1 of Division 1, the obligation of an insurer to furnish any notice to its insured required by law 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.

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

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

O

