

2012 -- H 7694

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LC01019  
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2012

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A N A C T

RELATING TO INSURANCE

Introduced By: Representative Donald J. Lally

Date Introduced: February 16, 2012

Referred To: House Corporations

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2 Hospital Service Corporations" is hereby repealed.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9 Medical Service Corporations" is hereby repealed.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16 "Nonprofit Dental Service Corporations" is hereby repealed.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

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- 1           This act would repeal the requirement that nonprofit hospital, medical and dental service
- 2 corporations obtain prior written approval for plans to compensate for soliciting subscribers.
- 3           This act would take effect upon passage.

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