

HB 523 -- Insurance for Portable Electronics

Sponsor: Molendorp

This bill requires any person or entity issuing, selling, or offering for sale any portable electronics insurance to be licensed with the Department of Insurance, Financial Institutions and Professional Registration. In its main provisions, the bill:

(1) Specifies the information which an applicant must provide to the department for licensure;

(2) Requires any person currently selling insurance for portable electronics to file an application within 90 days of it being made available with the department to obtain a license to continue to sell the insurance;

(3) Specifies that an initial license will be valid for 24 months and expire December 31 of the renewal year assigned by the department director;

(4) Specifies that a license will authorize any employee or authorized representative of the vendor to sell or offer portable electronics insurance to a consumer at each vendor location;

(5) Requires a vendor licensed by the state to notify the department director of all its locations in the state and to provide brochures or other written material to customers that disclose certain specified information;

(6) Allows portable electronics insurance to be offered on a monthly or other periodic basis;

(7) Requires each portable electronics insurance program to establish eligibility and underwriting standards for the coverage;

(8) Allows an employee or authorized representative of a vendor to sell or offer for sale portable electronics insurance coverage without a license if the vendor is licensed, the insurer appoints a supervising agency for the administration of the program, and the employee or representative does not claim to have a nonlimited lines insurance license;

(9) Allows a vendor to charge, bill, and collect for portable electronics insurance coverage;

(10) Allows the department director to refuse to issue or renew, suspend, or revoke any license based on certain criteria and to cause a complaint to be filed against a licensee with the

Administrative Hearing Commission as specified in the bill; and

(11) Requires the department to establish licensure fees which will be deposited into the newly created Portable Electronics Insurance Fund to be used solely for the administration of the licensure requirements.

The bill becomes effective January 1, 2012.