

pursuing what that concept meant by definition and there is an agreement that the department will undertake the pursuit of that language. There is no agreement that an agreement will be found and that there will be a definition but a good faith undertaking will be made. I move for the adoption of the committee amendments.

SPEAKER BAACK: Is there any discussion on the committee amendments? Seeing none, Senator Landis, do you wish to close? He waives closing. We will now vote on the committee amendments. All those in favor vote aye, opposed vote no. We're voting on the committee amendments. Have you all voted? Record, Mr. Clerk.

CLERK: 28 ayes, 0 nays, Mr. President, on adoption of the committee amendments.

SPEAKER BAACK: The committee amendments are adopted. We will now go to the bill. Senator Landis, on the bill.

SENATOR LANDIS: Thank you, Mr. Speaker, and members of the Legislature, this measure would adopt the most recent language of two of the NAIC models. It will separate our existing law into two sections. With respect to penalties, it will increase by tripling our sanctions in this area. We will provide a definition of an insurer where one does not now exist in our law so we know who is covered by it. We indicate that with respect to the sale of insurance if it is related to any kind of credit transaction, that the credit transaction must be completed before the solicitation of insurance can be done. What that does is to try to build a wall against tying. Tying is the belief that credit will be extended only if the individual seeking credit will also buy some kind of insurance. A common kind of insurance is, let's say, some kind of property insurance with respect to property that is the basis for an extension of credit. I lend you \$10,000 to buy a car and I then solicit the car insurance business, having extended you the loan for the car. This bill says that that solicitation of insurance can only occur after the credit is complete so that the customer is free to walk away. It also indicates that the fail to respond to a department's written inquiry about a practice is itself an unfair trade practice, and in the event that it's done on a regular basis, or is done in a flagrant disregard of the law, can trigger some kind of sanction. There are other provisions which, again, add definition or refinement of existing law and I