



SPONSOR: Rep. B. Short & Sen. Poore
Reps. Baumbach, Brady, Keeley

HOUSE OF REPRESENTATIVES
149th GENERAL ASSEMBLY

HOUSE BILL NO. 393
AS AMENDED BY
HOUSE AMENDMENT NO. 1

AN ACT TO AMEND TITLE 18 OF THE DELAWARE CODE RELATING TO INSURANCE.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

Section 1. Amend § 7503 of Title 18 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 7503 License and bond requirements.

(h) Upon the filing of an application and the payment of the license fee, the Commissioner shall make an investigation of each applicant and issue a license if the Commissioner finds that the applicant:

(4)a. If a viatical settlement provider, has demonstrated evidence of financial responsibility in a format prescribed by the Commissioner through either a surety bond executed and issued by an insurer authorized to issue surety bonds in this State or a deposit of cash, certificates of deposit or securities or any combination thereof in the amount of \$250,000.

~~b. If a viatical settlement broker, has demonstrated evidence of financial responsibility in a format prescribed by the Commissioner through either a surety bond executed and issued by an insurer authorized to issue surety bonds in this State or a deposit of cash, certificates of deposit or securities or any combination thereof in the amount of \$250,000.~~

~~e~~ b. The Commissioner may ask for evidence of financial responsibility at any time the Commissioner deems necessary.

~~d~~ c. Any surety bond issued pursuant to paragraph (h)(4) of this section must be in the favor of this State and must specifically authorize recovery by the Commissioner on behalf of any person in this State who sustained damages as the result of erroneous acts, failure to act, conviction of fraud, or conviction of unfair practices by the viatical settlement provider ~~or viatical settlement broker~~.

~~e~~ d. Notwithstanding any provision of this section to the contrary, the Commissioner shall accept, as evidence of financial responsibility, proof that financial instruments in accordance with the requirements in this paragraph have been filed with 1 state where the applicant is licensed as a viatical settlement provider ~~or viatical settlement broker~~.

Section 2. This Act shall expire 1 year from its effective date.