



GOVERNOR OF MISSOURI

JEFFERSON CITY

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JEREMIAH W. (JAY) NIXON
GOVERNOR

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July 10, 2014

TO THE SECRETARY OF STATE OF THE STATE OF MISSOURI

Herewith I return to you House Committee Substitute for Senate Bill No. 606 entitled:

AN ACT

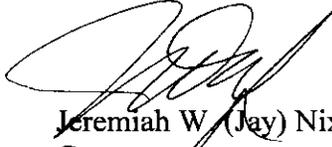
To repeal section 379.901, RSMo, and to enact in lieu thereof one new section relating to prepaid legal service plans.

I am today returning House Committee Substitute for Senate Bill No. 606 with my approval. This bill will become law because while it no longer requires a person who solicits memberships on behalf of a pre-paid legal services plan to be licensed as an insurance agent, it will strengthen the regulation of such individuals by subjecting them to civil and criminal enforcement by the Missouri Attorney General pursuant to the Missouri Merchandising Practices Act.

During the legislative process, concerns were expressed that House Committee Substitute for Senate Bill No. 606 would eliminate state oversight of individuals selling pre-paid legal service plans and put consumers at risk. However, while House Committee Substitute for Senate Bill No. 606 does eliminate the requirement to be licensed as an insurance agent, other consumer protections will now apply to ensure Missouri consumers receive the services they are sold. Under the Missouri Merchandising Practices Act, the Attorney General's Office and local prosecutors will be able to take action against individuals and companies who use false or deceptive practices when they solicit these memberships, and an individual harmed by such can bring a civil action. In addition, House Committee Substitute for Senate Bill No. 606 does nothing to change the fact that companies selling casualty insurance to cover potential future legal expenses must continue to be licensed and will still be regulated by the Department of Insurance, Financial Institutions and Professional Registration. With confidence in the ability of the Attorney General to take action to protect consumers and the authority of the Department of Insurance, Financial Institutions and Professional Registration to continue to oversee insurance companies, I can approve this legislation.

In accordance with the above stated reasons for approval, I am returning House Committee Substitute for Senate Bill 606 with my approval.

Respectfully submitted,


Jeremiah W. (Jay) Nixon
Governor