

ancillary conservation, ancillary receivership, or any other supervisory proceeding or mode involving the company making the deposit.

Proposed law removes the conditions restricting the use of the deposit and provides for the following:

- (1) If the insurer desires to withdraw any deposit or a portion of it, the insurer is to make written request to the commissioner of insurance for its release.
- (2) For deposits made due to requirements in another state or jurisdiction as a condition of licensure or a certificate of authority the commissioner is to give notice of a withdrawal request to the proper supervisory official of every state for which the deposit is required.
- (3) Requires that the commissioner, no less than 30 days after the notice to the other states, authorize the release of the deposit unless there is objection from the commissioner or other supervisory official of the state for which the deposit was required.
- (4) For deposits held as a condition for issuance or maintenance of a certificate of authority in Louisiana, prohibits the commissioner from release of the deposit unless it is determined that grounds or conditions which led to the order requiring the deposit no longer exist.
- (5) If the insurer is placed into rehabilitation or liquidation, any deposit made in Louisiana may be surrendered to the receiver pursuant to an order of the receivership court.

Present law regarding deposit requirements for foreign and alien insurers, provides exceptions for certain insurers having and maintaining \$100,000 unimpaired capital stock, if a stock company, or \$100,000 surplus above all liabilities if a mutual company, and maintaining \$500,000 in approved securities on deposit with the proper official of its home state, or state of entry if an alien insurer, or with its proper territorial officer if domiciled in a United States territory to secure the payment of any policy claims.

Proposed law repeals these provisions.

Proposed law repeals certain provisions regarding withdrawal of any bond or deposit only upon approval by the commissioner.

Present law requires all domestic insurers before receiving a certificate of authority, except those having other specific deposit requirements, to deposit with the commissioner of insurance a safekeeping or trust receipt from a bank doing business within the state or from a savings and loan association chartered to do business in this state indicating that the insurer has deposited \$100,000, or bonds of the United States, the state of Louisiana, or any political subdivision of the state, of the par value of not less than \$100,000 or of a value equal to the minimum capital or initial minimum surplus required in order to transact its business, whichever is less. Proposed law repeals this provision.

Proposed law repeals provisions in present law that have been deleted or made obsolete under proposed law.

Effective July 1, 2021.

(Amends R.S. 22:801 and 802; repeals R.S. 22:145, 171, 254(A), (B), (D), (E), and (F), 257(A)(9), 332(A)(13), 333(B) and (C), 341(C), 804, 807, and 808)