RÉSUMÉ DIGEST

ACT 416 (HB 1187) **2026 Regular Session** **Sawyer**

Existing law delineates the powers and responsibilities of the Louisiana Citizens Property Insurance Corporation (corporation). Including provisions governing assessments, deficit financing, and the allocation of specific assessment revenues.

New law defines "excess emergency assessment monies" as funds generated from emergency assessments that are no longer necessary to fulfill bonds or other obligations secured by such assessments, including associated liabilities such as fees and reserves.

Existing law, retained in part, authorizes the corporation to impose regular and emergency assessments and to pledge such revenue as collateral to secure bonds or other financing mechanisms utilized to mitigate deficits arising from catastrophic events.

New law stipulates that, upon the complete payment or satisfaction of all bonds or indebtedness secured by emergency assessments, any surplus funds resulting from such assessments may be retained for future obligations or utilized for authorized purposes, including but not limited to financing the Louisiana Fortify Homes Program.

New law prohibits the transfer, donation, or any other form of disposition of emergency assessment funds until all related indebtedness has been fully satisfied or legally discharged.

New law requires the governing board of the corporation, within 90 days after satisfying such indebtedness, to adopt a resolution certifying that the requirements have been met, identifying the amount of excess emergency assessment monies, and directing the transfer of those monies for authorized purposes.

New law requires that the governing board of the corporation, within a period of 90 days following the fulfillment of such indebtedness, adopt a resolution certifying compliance with the requisite conditions. This resolution must specify the amount of excess emergency assessment funds and instruct the transfer of such funds for purposes deemed authorized.

New law authorizes the transfer of excess emergency assessment monies to the Louisiana Fortify Homes Program Fund and requires that such funds be used exclusively for that program.

New law allows the corporation to expend a reasonable amount of excess emergency assessment monies for necessary administrative costs associated with determining, certifying, and transferring such funds, subject to board approval.

New law requires reporting and transparency measures, including submission of the board resolution and a report to legislative insurance committees and public posting detailing the amount transferred, administrative costs, and date of transfer.

Existing law further provides for the allowable use of retained funds, including support for the Louisiana Fortify Homes Program, in a manner consistent with statutory provisions.

Effective upon signature of governor (May 27, 2026).

(Amends R.S. 22:2297(D)(2), 2307(G), and 2317; Adds R.S. 22:2292(A)(13))