
DIGEST

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HB 366 Engrossed

2018 Regular Session

Jordan

Abstract: Provides for the qualifications of the board of directors of nonprofit funeral service associations and authorizes the rehabilitation of an association.

Present law requires all of the corporate powers of a nonprofit funeral service association, subject to any limitations, restrictions, or reservations provided for in the articles, the bylaws, or present law, to be vested in and the affairs of the association to be managed by a board of not less than three nor more than fifteen directors who shall be policyholders in good standing.

Proposed law repeals the requirement that the board members be policyholders.

Present law requires the commissioner of insurance, whenever any nonprofit funeral service association fails to comply with present law or its articles or bylaws in any respect, to immediately notify the officers of the association to that effect, specifying in what respects the association is failing to comply and, if after such notice the association continues to be noncompliant, to apply for liquidation of the association.

Proposed law changes the requirement for the commissioner to apply for liquidation to an authorization to apply for rehabilitation or liquidation.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 22:200(A) and 213(B))