

---

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by LG Sullivan.

---

DIGEST

SB 175 Original

2020 Regular Session

Bernard

Present law requires all foreign or alien insurers doing business in this state to deposit \$100,000 in a state financial institution and to provide the commissioner of insurance with a receipt therefor.

Proposed law deletes present law and authorizes the commissioner to accept a deposit if another state or jurisdiction requires an insurer to make a deposit in La. as a condition of a license to do business in that other state. Authorizes the commissioner to order an insurer to make and maintain a deposit based upon the type, volume or nature of insurance business transacted.

Present law specifies that the deposit required by present law shall be used exclusively for the payment of claims arising and accruing to any person in Louisiana under a policy issued by the insurer.

Proposed law deletes present law.

Proposed law requires an insurer who has made a deposit under proposed law to make a written request to the commissioner if the insurer wants to withdraw all or a portion of the deposit. Provides that if an insurer is placed into rehabilitation or liquidation in this or another state, any deposit made in this state may be surrendered to the receiver pursuant to an order of the receivership court.

Proposed law repeals provisions of present law that relate to the provisions of present law deleted or made obsolete by proposed law.

Effective July 1, 2020.

(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)