



Proposed law removes the requirement that the corporation offer policies for removal to the voluntary market not less than once per calendar year.

Present law provides that the approval of insurers to participate in the depopulation program be based on the following criteria:

- (1) Capacity of the insurer to absorb the policies proposed to be taken out and the concentration of risks of those policies and that the insurer has at least a B+ rating with A.M. Best or its equivalent.
- (2) That rates to be charged be approved by the department prior to assumption of the policies.
- (3) That the rates comply with provisions in the La. Insurance Code regarding rates, rating plans, and rate rules.

Proposed law retains these provisions in the present law but requires that the insurer participating in the take-out program have at least an A or A-rating with A.M. Best, or its equivalent.

Present law cannot be construed to impair the right of any Louisiana Citizens Property Insurance Corporation policyholder to retain his current producer if licensed and authorized to bind insurance coverage for the FAIR and Coastal Plans, or to retain Louisiana Citizens Property Insurance Corporation as their insurer. This right shall not be canceled, suspended, impeded, abridged, or otherwise compromised by any rule, plan of operation, or depopulation plan.

Proposed law retains the present law but provides that it not be construed to prohibit the right of a Corporation policyholder to retain his current producer or to retain the corporation as his insurer.

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

(Amends R.S. 22:2314)