

HOUSE SUMMARY OF SENATE AMENDMENTS**HB 511****2015 Regular Session****Seabaugh**

INSURANCE COMMISSIONER: Provides for appointment of counsel in matters related to rehabilitation, liquidation, or conservation of insurers, and for the distribution of receivership assets by the commissioner of insurance

Synopsis of Senate Amendments

1. Provide that the commissioner may employ staff counsel of the Department of Insurance or special counsel in matter related to rehabilitation, liquidation, or conservation of insurers when the assets of the insurer's estate are less than one million dollars, with appointment of special counsel subject to the approval of the attorney general.
2. Restore authority of attorney general to provide representation for the commissioner in matters in which the assets of an insurer's estate equal or exceed one million dollars.

Digest of Bill as Finally Passed by Senate

Present law provides that in connection with matters involving rehabilitation, liquidation, or conservation of domestic insurers in receivership, the commissioner of insurance (commissioner) has the power to appoint special deputies, clerks, or assistants. The compensation of such individuals is fixed. Associated expenses are required to be approved by the commissioner and the court and are to be paid out of the funds or assets of the insurer.

Proposed law adds attorneys to the list of individuals the commissioner can appoint.

Proposed law provides that the commissioner may employ staff counsel of the Dept. of Insurance or special counsel to provide representation in all matters in which the assets of an insurer's estate are less than \$1 million. The fees and expenses of staff or special counsel may be reimbursed upon approval by the commissioner and the court and paid from the funds or assets of the insurer.

Proposed law mandates representation of the commissioner by the attorney general in matters in which the insurer's assets equal or exceed \$1 million. Further provides that the attorney general may appoint special counsel to provide this representation. Requires the attorney to submit a certification of expenses and legal fees for staff and special counsel to be paid out of the funds or assets of the insurer.

Proposed law provides that attorneys employed by the attorney general are to be named by the commissioner with approval of the attorney general and shall perform their duties under the supervision of the attorney general.

Provides that proposed law is to be given retroactive application to pending proceedings.

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

(Amends R.S. 22:2018 and 2034(G))