

2016 Regular Session

HOUSE BILL NO. 519

BY REPRESENTATIVE CHAD BROWN

INSURANCE: Provides relative to the maintenance of electronic records by domestic insurers and to the maintenance of their records outside the state

1 AN ACT

2 To amend and reenact R.S. 22:68(A) and (B), relative to books and records of domestic
3 insurers; to provide for the maintenance of records in electronic data processing
4 systems; to provide for the maintenance of records outside the state upon filing a
5 plan with the commissioner of insurance; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 22:68(A) and (B) are hereby amended and reenacted to read as
8 follows:

9 §68. Books and records of domestic insurer; securities

10 A. Every domestic and redomesticated insurer shall keep its books, records,
11 documents, accounts, and vouchers in such manner that its financial condition,
12 affairs, and operations can be ascertained and so that its financial statements filed
13 with the commissioner can be readily verified and its compliance with the law
14 determined. Such insurer may cause any or all such books, records, documents,
15 accounts, and vouchers to be photographed, ~~or reproduced on film, or maintained~~
16 electronically in electronic data processing equipment. Any such photographs,
17 microphotographs, optical imaging, electronic, or film reproductions of any original
18 books, records, documents, accounts, and vouchers shall for all purposes be
19 considered the same as the originals thereof and a transcript, exemplification, or
20 certified copy of any such photograph, microphotograph, optical imaging, electronic,

1 or film reproduction shall for all purposes be deemed to be a transcript,
2 exemplification, or certified copy of the original. Any original so reproduced may
3 thereafter be disposed of or destroyed, as provided for in Subsection B of this
4 Section, if provision is made for preserving and examining such reproductions.

5 B. All such original books, records, documents, accounts, and vouchers, or
6 such reproductions thereof, of the home office of any domestic company or of any
7 principal United States office of a foreign or alien company located in this state shall
8 be preserved and kept available in this state for the purpose of examination. At a
9 minimum all such original records shall be maintained for the period commencing
10 on the first day following the last period examined by the commissioner through the
11 subsequent examination period, or five years, whichever is greater. Such original
12 records may, however, be kept and maintained outside this state if, according to a
13 plan adopted by the company's board of directors and ~~approved by~~ filed with the
14 commissioner, it maintains suitable records in lieu thereof.

15 * * *

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 519 Engrossed

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Abstract: Allows domestic insurers to maintain records in electronic data processing systems. Changes requirement that an insurer's plan to keep and maintain such records outside of Louisiana must be approved by the commissioner to a requirement that the plan be filed with the commissioner.

Present law allows certain records of domestic and redomesticated insurers to be maintained by being photographed or reproduced on film.

Proposed law adds maintaining these records electronically in electronic data processing equipment to the methods of maintenance.

Present law requires that a plan adopted by an insurer's board of directors for keeping and maintaining original records outside of Louisiana be approved by the commissioner.

Proposed law changes present law by requiring only that the plan be filed with the commissioner.

(Amends R.S. 22:68(A) and (B))