
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 247 Engrossed

2018 Regular Session

Huval

Abstract: Adds health and accident insurance to types of coverage comprising surplus lines insurance.

Present law defines surplus lines insurance as any property and casualty insurance in this state on property, risk, or exposure located or to be performed in this state, permitted to be placed through a licensed surplus lines broker with a surplus lines insurer.

Proposed law retains present law and expands the definition to include health and accident insurance.

Present law defines surplus lines insurer as an approved unauthorized insurer or eligible unauthorized insurer, or a domestic surplus lines insurer.

Proposed law retains present law and excludes health maintenance organizations from the definition.

Present law requires notification that there is no guaranty fund coverage for surplus lines policies.

Proposed law retains present law and adds to the required notice a statement that there is no life and health guaranty fund coverage for surplus lines health and accident policies.

Present law exempts surplus lines insurers from the requirement to file rates and forms with the commissioner of insurance.

Proposed law retains present law but adds an exception for public carrier vehicles.

Proposed law permits the commissioner of insurance to require the filing of rates and forms for health and accident policies other than health stop loss and limited benefit policies.

Present law defines a surplus lines broker as an insurance producer who solicits, negotiates, or procures a property and casualty policy with an insurance company not licensed to transact business in La. which cannot be procured from insurers licensed to do business in La.

Proposed law eliminates the references to property and casualty to expand the definition to all types of coverage available through surplus lines insurance.

Present law authorizes any licensed property and casualty insurance producer maintaining an office at a designated location in this state and having at least two years experience in the insurance

business with an insurer or as an insurance producer to be licensed as a surplus lines broker.

Proposed law expands the authorization to any licensed health and accident insurance producers.

Effective Jan. 1, 2019.

(Amends R.S. 22:46(intro. para.), (17) and (17.1), 433(A), 438(A)(3), 446, 1542(intro. para.) and (18), and 1547(I))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Insurance to the original bill:

1. Specify that a property and casualty or health and accident insurance producer may qualify for licensure as a surplus lines broker.