

RÉSUMÉ DIGEST

ACT 69 (SB 264)

2022 Regular Session

Bouie

New law requires that domestic stock insurers authorized to transact homeowners' insurance or fire and allied lines prior to September 1, 1989, have paid-in capital, minimum surplus, and operating surplus in the amount of \$5,000,000 on or after December 31, 2026, and \$10,000,000 on or after December 31, 2031.

New law requires that domestic stock insurers authorized to transact homeowners' insurance or fire and allied lines after September 1, 1989, have paid-in capital, minimum surplus, and operating surplus in the amount of \$5,000,000 on or after December 31, 2026, and \$10,000,000 on or after December 31, 2031. Provides that domestic stock insurers who apply for a certificate of authority on or after September 1, 2022, which includes the lines of homeowners' insurance or fire and allied lines, have paid-in capital, minimum surplus, operating surplus in the amount of \$10,000,000.

New law requires that domestic mutual insurers authorized to transact homeowners' insurance or fire and allied lines prior to September 1, 1989, have initial minimum surplus and operating surplus in the amount of \$5,000,000 on or after December 31, 2026, and \$10,000,000 on or after December 31, 2031.

New law requires that domestic mutual insurers authorized to transact homeowners' insurance or fire and allied lines after September 1, 1989, have initial minimum surplus and operating surplus in the amount of \$5,000,000 on or after December 31, 2026, and \$10,000,000 on or after December 31, 2031. Provides that domestic mutual insurers who apply for a certificate of authority on or after September 1, 2022, which includes the lines of homeowners' insurance or fire and allied lines, have initial minimum surplus and operating surplus in the amount of \$10,000,000.

Prior law required that insurers already organized and qualified under state law as of July 27, 1966, continue to have the same underwriting powers as possessed on July 27, 1966, provided they increase the surplus requirements to the minimum amounts set forth in law on or before August 1, 1967.

New law removes this requirement and requires that domestic reciprocal insurers authorized to transact homeowners' insurance or fire and allied lines after August 1, 1967, have the initial minimum surplus in the amount of \$5,000,000 on or after December 31, 2026, and \$10,000,000 on or after December 31, 2031. Requires that domestic reciprocal insurers who apply for a certificate of authority on or after September 1, 2022, which includes the lines of homeowners' insurance or fire and allied lines, shall have initial minimum surplus in the amount of \$10,000,000.

Effective August 1, 2022.

(Amends R.S. 22:165(B); adds R.S. 22:81(D), 82(D) and (E), 111(D), 112(D) and (E), and 165(C))