

RÉSUMÉ DIGEST

ACT 60 (HB 866)

2022 Regular Session

Frieman

New law requires domestic stock insurers authorized to transact homeowners' insurance or fire and allied lines prior to Sept. 1, 1989, to have paid-in capital, minimum surplus, and operating surplus totaling at least \$5,000,000 by Dec. 31, 2026, and totaling at least \$10,000,000 by Dec. 31, 2031.

New law requires domestic stock insurers authorized to transact homeowners' insurance or fire and allied lines after Sept. 1, 1989, to have paid-in capital, minimum surplus, and operating surplus totaling at least \$5,000,000 by Dec. 31, 2026 and totaling \$10,000,000 by Dec. 31, 2031.

New law requires domestic stock insurers who apply for a certificate of authority after Sept. 1, 2022, which includes homeowners' insurance or fire and allied lines, to have paid-in capital, minimum surplus, and operating surplus totaling at least \$10,000,000.

New law requires domestic mutual insurers authorized to transact homeowners' insurance or fire and allied lines prior to Sept. 1, 1989, to have initial minimum surplus and operating surplus totaling at least \$5,000,000 by Dec. 31, 2026, and totaling \$10,000,000 by Dec. 31, 2031.

New law requires domestic mutual insurers authorized to transact homeowners' insurance or fire and allied lines after Sept. 1, 1989, to have initial minimum surplus and operating surplus totaling at least \$5,000,000 by Dec. 31, 2026, and totaling at least \$10,000,000 by Dec. 31, 2031.

New law requires domestic mutual insurers who apply for a certificate of authority after Sept. 1, 2022, which includes homeowners' insurance or fire and allied lines, to have initial minimum surplus and operating surplus totaling at least \$10,000,000.

Prior law provided that insurers already organized and qualified under state law as of July 27, 1966, shall 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 Aug. 1, 1967.

New law repeals prior law and requires domestic reciprocal insurers authorized to transact homeowners' insurance or fire and allied lines after Aug. 1, 1967, to have initial minimum surplus of at least \$5,000,000 by Dec. 31, 2026, and at least \$10,000,000 by Dec. 31, 2031.

New law requires domestic reciprocal insurers who apply for a certificate of authority after Sept. 1, 2022, which includes homeowners' insurance or fire and allied lines, to have an initial minimum surplus of at least \$10,000,000.

Effective January 1, 2023.

(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))