

RÉSUMÉ DIGEST

ACT 194 (HB 1005)

2022 Regular Session

Larvadain

Existing law provides that surety insurance is a contract whereby one becomes a surety or guarantor for the performance of any person of any lawful obligation, undertaking, agreement, or contract of any kind, except contracts or policies of insurance; or guaranteeing against loss or damage resulting from failure of debtors to pay their obligations to the insured; and underwriting blanket bonds.

New law retains existing law.

Prior law provided that no insurer, except the Federal Deposit Insurance Corporation (FDIC), the National Credit Union Administration (NCUA), or any similar insurance corporation hereinafter created by the Congress of the United States or the legislature of any state shall insure deposits in banks, savings and loan associations, credit unions, finance operations, or similar institutions.

New law repeals prior law and prohibits persons and insurers from offering primary deposit insurance, except the FDIC or the NCUA, or any similar insurance corporation hereinafter created by the Congress of the United States or the legislature of any state for deposits in banks, savings and loan associations, savings banks, credit unions, finance operations, or similar institutions.

New law provides that an insurance corporation may be licensed to offer excess share insurance to provide coverage for an amount above the amount insured by the NCUA and, if licensed, may offer such coverage.

New law provides that an insurance corporation may be licensed to offer excess deposit insurance to provide coverage for an amount above the amount insured by the FDIC and, if licensed, may offer such coverage.

Effective upon signature of governor (May 25, 2022).

(Amends R.S. 22:47(14) and (18))