The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Beth O'Quin.

DIGEST

SB 143 Original 2023 Regular Session Henry

Present law authorizes the commissioner of insurance (commissioner) may refuse to issue or rescind a letter of no objection if he finds the officer or director does not meet certain requirements provided by present law.

Proposed law retains present law but adds the commissioner is required to refuse or rescind a letter of no objection if the person was a former officer, director, or had direct or indirect control over selecting or appointing an officer or director through contract, trust, or by operation of law of an insurer doing business in this state and the person served in that capacity within a two-year period before the insurer went insolvent, unless the person can demonstrate to the commissioner that his personal actions and omissions were not a significant contributing cause of the insurer's insolvency. Proposed law retains present law but authorizes the commissioner to issue a certificate of authority to a foreign or alien insurer if the person serving in the capacity listed in proposed law if at least five years have passed since the date of the insurer's insolvency.

Proposed law defines a personal action.

Present law authorizes the commissioner to suspend or revoke a foreign or alien insurer if certain legal requirements have not been met.

Proposed law retains present law but requires the commissioner to refuse to issue, suspend, or revoke the certificate of authority if a person serving as a former officer, director, or had direct or indirect control over selecting or appointing an officer or director through contract, trust, or by operation of law of an insurer doing business in this state and the person served in that capacity within a two-year period before the insurer went insolvent, unless the person can demonstrate to the commissioner that his personal actions and omissions were not a significant contributing cause of the insurer's insolvency.

Proposed law defines a personal action.

Proposed law retains present law but authorizes the commissioner to issue a certificate of authority to a foreign or alien insurer if the person who served in a manner listed in proposed law if at least five years have passed since the date of the insurer's insolvency.

Effective August 1, 2023.

(Adds R.S. 22:41.3(F) and (G), and 337(F) and (G))