

SENATE SUMMARY OF HOUSE AMENDMENTS

SB 143

2023 Regular Session

Henry

KEYWORD AND SUMMARY AS RETURNED TO THE SENATE

INSURERS. Provides for former officers or insolvent insurers. (8/1/23)

SUMMARY OF HOUSE AMENDMENTS TO THE SENATE BILL

1. Makes technical changes.
2. Clarify with respect to the commissioner's authority to provide a certificate of authority to a foreign or alien insurer who has a person serving as an officer, director, or person with direct or indirect control over the selection or appointment of an officer or director, and such person previously served in that capacity for an insurer that became insolvent, and at least five years have passed from the date the insurer became insolvent.

DIGEST OF THE SENATE BILL AS RETURNED TO THE SENATE

SB 143 Engrossed

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Present law authorizes the commissioner of insurance (commissioner) to 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.

Proposed law requires the commissioner 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 authorizes the commissioner to issue a certificate of authority to a foreign or alien insurer if the person formerly served in the capacity listed in proposed law, and 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.

Proposed law requires the commissioner to refuse to issue, suspend, or revoke the certificate of authority if a person is serving as an 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 authorizes the commissioner to provide a certificate of authority to a foreign or alien insurer who has a person serving as an officer, director, or person with direct or indirect control over the selection or appointment of an officer or director, and such person previously served in that capacity for an insurer that became insolvent, and at least five years have passed from the date the insurer became insolvent.

Effective Aug. 1, 2023.

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

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