

SENATE FLOOR AMENDMENTS

2024 Regular Session

Amendments proposed by Senator McMath to Engrossed Senate Bill No. 219 by Senator McMath

1 AMENDMENT NO. 1

2 On page 1, line 2, after "reenact" delete the remainder of the line and insert "R.S.
3 22:236.2(E), 236.4(D), 236.5(A), 237.4(E), 237.6(D), and 237.7(A) and to enact R.S.
4 22:236.2(B)(5),"

5 AMENDMENT NO. 2

6 On page 1, line 3, after "236.5(F)," insert "237.4(B)(5), and 237.7(F),"

7 AMENDMENT NO. 3

8 On page 1, line 4, after "insurance" insert "to provide for approval of qualified voters;"

9 AMENDMENT NO. 4

10 On page 1, line 6, after "activities;" insert "to provide for an effective date;"

11 AMENDMENT NO. 5

12 On page 1, line 8, after "Section 1." delete the remainder of the line and insert "R.S.
13 22:236.2(E), 236.4(D), 236.5(A), 237.4(E), 237.6(D), and 237.7(A) are hereby amended and
14 reenacted and"

15 AMENDMENT NO. 6

16 On page 1, line 9, after "R.S. 22:236.2(B)(5)" delete "and 236.5(F)" and insert ", 236.5(F),
17 237.4(B)(5), and 237.7(F)"

18 AMENDMENT NO. 7

19 On page 1, after line 17, insert the following:

20 "E. All information, documents, and copies thereof obtained by or disclosed to the
21 commissioner, the ~~Department of Insurance~~ **department**, or its designated representative
22 in the course of an examination of a proposed plan of reorganization shall be treated in
23 accordance with ~~R.S. 22:706~~ **R.S. 22:691.10**.

24 * * *

25 AMENDMENT NO. 8

26 On page 2, line 13, after "**reorganization**" delete "**includes**" and insert "**is required to**
27 **include**"

28 AMENDMENT NO. 9

29 On page 2, line 14, after "**proposed**" change "**acquisition,**" to "**acquisition**"

30 AMENDMENT NO. 10

31 On page 2, line 15, after "**reviews of the**" insert "**terms, conditions, and price of the**
32 **proposed acquisition. The financial and market analysis reviews shall include an**
33 **independent valuation of the reorganizing mutual, conducted by an independent**
34 **valuation expert with experience valuing similar companies and transactions, as well**
35 **as a review of the financial and operational viability of the**"

1 AMENDMENT NO. 11

2 On page 3, line 4, delete "**Department of Insurance**" and insert "**department**"

3 AMENDMENT NO. 12

4 On page 3, between lines 7 and 8, insert the following:

5 "§237.4. Plan of reorganization

6 * * *

7 B. The plan of reorganization shall:

8 * * *

9 **(5) Disclose whether the proposed reorganization is being pursued in**
10 **conjunction with a proposed acquisition, as defined in R.S. 22:691.5, if the**
11 **reorganizing mutual is authorized to transact health insurance in this state.**

12 * * *

13 E. All information, documents, and copies thereof obtained by or disclosed
14 to the commissioner, the ~~Department of Insurance~~ **department**, or its designated
15 representative in the course of an examination of a proposed plan of reorganization
16 shall be treated in accordance with ~~R.S. 22:706~~ **R.S. 22:691.10**.

17 * * *

18 §237.6. Approval by commissioner after public hearing

19 * * *

20 D.**(1)** The commissioner may retain at the reorganizing mutual's expense such
21 attorneys, actuaries, accountants, and other experts as may be reasonably necessary
22 to assist the commissioner in his examination of a proposed conversion, including
23 any part of such examination that may occur, at the request of a reorganizing mutual,
24 prior to a plan of reorganization having been filed with the commissioner pursuant
25 to R.S. 22:237.4. Such experts shall prepare a projection of the amount of time and
26 expenses necessary to complete the examination, and all work of these experts is
27 subject to review. If the projected amount of time and expenses required to complete
28 the examination appear excessive, the reorganizing mutual may petition the
29 commissioner for appropriate relief, and the commissioner's decision shall be final.

30 **(2)(a) If the reorganizing mutual's plan of reorganization is required to**
31 **include a disclosure of proposed acquisition pursuant to R.S. 22:237.4(B)(5), the**
32 **commissioner shall conduct financial and market analysis reviews of the terms,**
33 **conditions, and price of the proposed acquisition. The financial and market**
34 **analysis reviews shall include an independent valuation of the reorganizing**
35 **mutual, conducted by an independent valuation expert with experience valuing**
36 **similar companies and transactions, as well as a review of the financial and**
37 **operational viability of the entity proposing to acquire the reorganizing mutual.**
38 **The commissioner shall conduct the reviews and publish the findings on the**
39 **department's website prior to the date of the public hearing required by**
40 **Subsection A of this Section.**

41 **(b) The reorganizing mutual shall publish the commissioner's reviews**
42 **and findings on the reorganizing mutual's website with the notice of public**
43 **hearing required by Subsection C of this Section.**

44 * * *

45 §237.7. Approval by qualified voters

46 A. The plan of reorganization shall be approved at a meeting convened for
47 that purpose by a vote of not less than two-thirds of the qualified voters of the
48 reorganizing mutual entitled to vote on matters and present or represented by special
49 ballot or special proxy. **Qualified voters may be represented by special ballot or**
50 **special proxy. No special ballot or special proxy shall be distributed to qualified**
51 **voters or accepted by the reorganizing mutual prior to the date of the public**
52 **hearing required by R.S. 22:237.6(A).**

53 * * *

54 **F. The reorganizing mutual shall obtain prior approval from the**
55 **department of the content of any advertisement in any public media or**
56 **unsolicited written communication directed to qualified voters to ensure the**

1 **information being provided by the reorganizing mutual is not false, deceptive,**
2 **or misleading."**