

GREEN SHEET REDIGEST

HB 903

2026 Regular Session

Illg

INSURANCE: Provides for fines issued by the commissioner of insurance.

DIGEST

Present law imposes various amounts of fines per insurer, person, health insurance issuer, applicant or licensee, or entity for violations. Present law allows fines to be aggregated up to a certain limit in a calendar year.

Present law grants the commissioner in lieu of suspension or revocation of a certificate or license duly issued to levy a fine not to exceed \$1,000 for each violation per insurer, person, or entity, up to \$100,000 aggregate for all violations in a calendar year per insurer, person, or entity. Proposed law increases the aggregation amount from \$100,000 to \$1,000,000 for all violations in a calendar year per insurer, person, or entity.

Present law requires that a certificate of authority shall be suspended or revoked only after compliance with the requirements of R.S. 22:259 except in cases where such delay would cause irreparable harm or substantial monetary loss in the opinion of the commissioner. Present law authorizes the commissioner, in lieu of suspension or revocation of a license duly issued, to levy a fine not to exceed \$1,000 for each violation and up to \$100,000 aggregate for all violations in a calendar year. Proposed law increases the aggregation amount from \$100,000 to \$1,000,000 for all violations in a calendar year.

Present law grants the commissioner authority to refuse to renew, suspend, or revoke the certificate of authority of any health insurance issuer violating any of the provisions of present law or in lieu of suspension or revocation of a license duly issued, the commissioner may levy a fine not to exceed \$1,000 for each violation per health insurance issuer and up to \$100,000 aggregate for all violations in a calendar year per health insurance issuer. Proposed law increases the aggregation amount from \$100,000 to \$1,000,000 for all violations in a calendar year for a health insurance issuer.

Present law requires that a monetary penalty not to exceed \$500 may be imposed for each violation and requires no fine or fines be imposed against a lessor, pursuant to present law which aggregates in excess of \$10,000 in any calendar year. Proposed law increases the aggregation amount from \$10,000 to \$100,000 for all violations in a calendar year.

Present law authorizes the commissioner to place on probation, suspend, revoke, or refuse to issue, renew, or reinstate an insurance producer license, or may levy a fine not to exceed \$500 for each violation occurring, up to \$10,000 aggregate for all violations in a calendar year per applicant or licensee, or any combination of actions. Proposed law increases the aggregation amount from \$10,000 to \$100,000 for all violations in a calendar year per applicant or licensee for all violations in a calendar year for an insurance producer.

Present law authorizes the commissioner to place on probation, suspend, revoke, or refuse to issue, renew, or reinstate a claims adjuster's license or levy a fine not to exceed \$500 for each violation up to \$10,000 aggregate for all violations in a calendar year. Proposed law increases the aggregation amount of fines from \$10,000 to \$100,000 for all violations in a calendar year for a claims adjuster.

Present law authorizes the commissioner to revoke, suspend, refuse to renew, or levy a fine not to exceed \$1,000 for each violation, up to \$100,000 in the aggregate for all violations in a calendar year, if the provisions in present law are violated by a limited licensee. Proposed law increases the aggregation amount from \$100,000 to \$1,000,000 for all violations in a calendar for a limited licensee.

Present law authorizes the commissioner to place on probation, suspend, revoke, or refuse to issue, renew, or reinstate an insurance consultant license, or levy a fine not to exceed \$500 for each violation occurring, up to \$10,000 aggregate for all violations in a calendar year.

Proposed law increases the aggregation amount of fines from \$10,000 to \$100,000 for all violations in a calendar year for an insurance consultant.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 22:18(A), 257(B), 1019.3(D)(2), 1529(B), 1554(A)(intro. para.), 1672(A)(intro. para.), 1770, and 1808.8(A)(intro. para.))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Insurance to the original bill:

1. Restore present law relative to various amounts of fines per insurer, person, health insurance issuer, applicant or licensee, or entity for violations and fine aggregation amounts in a calendar year.
2. Change the aggregate amount for violations in a calendar year from \$100,000 to \$1,000,000 per insurer, person, health insurance issuer, applicant or licensee, or entity.
3. Change the aggregate amount the commissioner could levy for violations not to exceed five hundred dollars for each violation from up to \$10,000 to \$100,000 for all violations in a calendar year, unless a fine is established by separate for a lessor, an insurance producer, claims adjuster, and an insurance consultant.
4. Make technical change.

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Insurance to the engrossed bill

1. Make technical changes.