

Prior law provided for a section of insurance fraud within the Dept. of Insurance with the responsibility to conduct investigations and criminal background checks on all applicants for licenses or certificates of authority to transact a business of insurance.

New law creates a division of insurance fraud and a deputy commissioner of insurance fraud within the department with the responsibilities provided in prior law for the insurance fraud section and adds certain powers and duties as they relate to the investigation and prevention of administrative or civil violations of La. insurance laws.

Prior law required that if, during the course of investigation, the department determined that there may be a violation of any criminal law, the investigation be turned over to the Dept. of Justice; the Dept. of Public Safety and Corrections, public safety services, office of state police; and any other appropriate law enforcement or prosecutorial agency for further investigation, enforcement, or prosecution.

New law provides that if the division of insurance fraud determines that there may be a violation of any criminal law, the division shall then coordinate further actions with the agencies in prior law.

New law authorizes the division of insurance fraud to have access to computer systems, information maintained for the use of law enforcement personnel, any information contained in the criminal history record and identification file of the La. Bureau of Criminal Identification and Information as well as direct access to information compiled by the Federal Bureau of Investigation for the purposes of carrying out the division's responsibilities.

New law permits the commissioner of insurance to issue a commission authorizing the deputy commissioner of insurance fraud or any compliance investigator who is P.O.S.T.-certified to carry and use firearms. Further provides that the powers and privileges shall not include arrest powers.

New law eliminates the office of receivership within the Dept. of Insurance.

Effective August 1, 2013.

(Amends R.S. 22:3, 1921, 1922, 1926, 1927, 1928(A)(intro para), 1929(A), and R.S. 36:681(C)(1); adds R.S. 36:691.1; repeals R.S. 36:691)