HLS 14RS-858 ORIGINAL

Regular Session, 2014

HOUSE BILL NO. 435

BY REPRESENTATIVE CROMER

INSURANCE: Provides relative to professional employer organizations

1	AN ACT							
2	To amend and reenact R.S. 22:821(B)(introductory paragraph), 1745(B)(2), and 1748 and							
3	to enact R.S. 22:821(B)(5), relative to professional employer organizations; to							
4	require such organizations to file an initial registration statement and an annual							
5	registration statement with the commissioner of insurance; to provide for the fees the							
6	commissioner of insurance shall charge for filing of the registration statements; to							
7	provide that the client of each professional employer organization is to be issued a							
8	separate policy for the employees of the client; and to provide for related matters.							
9	Be it enacted by the Legislature of Louisiana:							
10	Section 1. R.S. 22:821(B) (introductory paragraph), 1745(B)(2), and 1748 are hereby							
11	amended and reenacted and R.S. 22:821(B)(5) is hereby enact to read as follows:							
12	§821. Fees							
13	* * *							
14	B. The following fees and licenses shall be collected in advance by the							
15	commissioner of insurance:							
16	* * *							
17	(5)(a) For the submission of the professional employer organization							
18	registration statement							

1	(b) For the a	nnual	renewal	of th	ne professional	employer	organization
2	registration statement	· · · · · · ·		<u>.</u>			\$300.00
3			* *	:	*		
4	§1745. Employee bene	efit pla	ns				
5			* *	:	*		
6	В.						
7			* *	:	*		
8	(2) If a client pa	articipa	ites in su	ch a h	ealth benefit pla	an the clien	t shall submit

(2) If a client participates in such a health benefit plan the client shall submit an application for coverage on forms provided by an insurer authorized to transact business in this state, and the client's employees shall be considered as a separate group for purposes of eligibility, rating, and coverage and shall be a separate policy with the client as the sole plan sponsor.

\* \* \*

§1748. Registration

Each person operating in this state as a PEO shall have on file with the department commissioner a statement, on a form to be prescribed by the department commissioner, of its name, its registered address, the address of its principal business establishments inside and outside this state, its telephone and facsimile number, the form of business entity it has assumed, the state of its incorporation or other organization, the name of a principal contact person, and the names and addresses of all controlling persons. Such statements shall be renewed annually. The department commissioner shall maintain such statements and make them available to the public as any other public document. The department commissioner may shall charge such a fee on submission of such statements as is necessary to cover its costs in receiving and maintaining them, not to exceed five hundred dollars for the initial registration and three hundred dollars for annual renewals as provided in R.S. 22:821.

## **DIGEST**

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Cromer HB No. 435

**Abstract:** Requires professional employer organizations (PEOs) to file registration statements with commissioner of insurance annually; requires the commissioner charge a fee of \$500 for filing of the initial statement and \$300 for filing of each subsequent annual statement.

Present law requires PEOs to file their registration statements with the Dept. of Insurance.

<u>Proposed law</u> requires PEOs to file their registration statements with the commissioner of insurance.

<u>Present law</u> states that the Dept. of Insurance may charge a fee to cover its costs in receiving and maintaining the statements not to exceed \$500 for filing of the initial registration statement and \$300 for each annual statement.

<u>Proposed law</u> requires the commissioner of insurance to charge a fee of \$500 for the filing of the initial registration statement and \$300 for filing of the annual statement.

<u>Present law</u> requires that PEOs consider the client's employees as a separate group for the purposes of eligibility, rating, and coverage.

<u>Proposed law</u> retains <u>present law</u> and requires that PEOs issue a separate policy to each client for its employees, with the client as the plan sponsor.

(Amends R.S. 22:821(B)(intro. para.), 1745(B)(2), and 1748; Adds R.S. 22:821(B)(5))