

Regular Session, 2014

HOUSE BILL NO. 879

BY REPRESENTATIVE THIBAUT

INSURANCE: Provides relative to insurance holding companies

1 AN ACT

2 To amend and reenact R.S. 22:691.6(A)(2), (J)(2), and (L), 691.10(A) and (D), and R.S.
3 44:4.1(B)(11), relative to insurance holding companies; to provide that annual
4 registration statements are due on April 30 for the previous calendar year; to provide
5 an exemption for filing an annual enterprise risk report for certain insurers; to
6 provide an exemption from the Public Records Law; and to provide for related
7 matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 22:691.6(A)(2), (J)(2), and (L) and 691.10(A) and (D) are hereby
10 amended and reenacted to read as follows:

11 §691.6. Registration of insurers

12 A. Registration.

13 * * *

14 (2) Any insurer which is subject to registration under this Section shall
15 register within fifteen days after it becomes subject to registration, and annually
16 thereafter by the ~~first~~ thirtieth of April of each year for the previous calendar year,
17 unless the commissioner for good cause shown extends the time for registration, and
18 then within the extended time. The commissioner may require any insurer
19 authorized to do business in the state which is a member of an insurance holding
20 company system, and which is not subject to registration under this Section, to
21 furnish a copy of the registration statement, the summary specified in Subsection C

1 of this Section, or other information filed by the insurance company with the
2 insurance regulatory authority of its domiciliary jurisdiction.

3 * * *

4 J. Exemptions.

5 * * *

6 (2) Unless it appears in the discretion of the commissioner that the condition
7 of a small company renders the continuance of its business hazardous to the public
8 or its insureds, a small company shall not be required to submit to the department a
9 registration statement required by this Section, but shall be considered a registered
10 insurer for the purposes of the provisions of Subsection E of this Section, R.S.
11 ~~22:704(A)~~, 22:691.7(A) and ~~705~~ 691.8.

12 * * *

13 L. Enterprise risk filing.

14 (1) The ultimate controlling person of every insurer subject to registration
15 shall also file an annual enterprise risk report. The report shall, to the best of the
16 ultimate controlling person's knowledge and belief, identify the material risks within
17 the insurance holding company system that could pose enterprise risk to the insurer.
18 The report shall be filed with the lead state commissioner of the insurance holding
19 company system as determined by the procedures within the Financial Analysis
20 Handbook adopted by the National Association of Insurance Commissioners. The
21 provisions of this Section shall become effective for the 2014 calendar year report
22 filing cycle.

23 (2) The requirement of Paragraph (1) of this Subsection to file an annual
24 enterprise risk report shall not apply to insurers with annual direct written and
25 assumed premiums of less than five hundred million dollars excluding premiums
26 reinsured with the Federal Crop Insurance Corporation or the Federal Flood
27 Program. Notwithstanding the premium threshold in this Paragraph, the
28 commissioner may require an insurer to file a management's report of internal

1 control over financial reporting if the insurer is in any risk-based capital level event
2 or is deemed to be in a hazardous financial condition.

3 * * *

4 §691.10. Confidential treatment

5 A. Documents, materials, or other information in the possession or control
6 of the Department of Insurance that are obtained by or disclosed to the commissioner
7 or any other person in the course of an examination or investigation made pursuant
8 to R.S. 22:691.8 and all information reported pursuant to ~~R.S. 22:691.4(B)(12) and~~
9 ~~(13), 691.6, and 691.7~~ this Subpart shall be confidential by law and privileged, shall
10 not be subject to subpoena, and shall not be subject to discovery or admissible in
11 evidence in any private civil action. However, the commissioner is authorized to use
12 the documents, materials, or other information in the furtherance of any regulatory
13 or legal action brought as a part of the commissioner's official duties. ~~The~~
14 ~~commissioner shall not otherwise make the documents, materials, or other~~
15 ~~information public without the prior written consent of the insurer to which it~~
16 ~~pertains unless the commissioner, after giving the insurer and its affiliates who~~
17 ~~would be affected thereby notice and opportunity to be heard, determines that the~~
18 ~~interest of policyholders, shareholders, or the public will be served by the publication~~
19 ~~thereof, in which event the commissioner may publish all or any part in such manner~~
20 ~~as may be deemed appropriate.~~

21 * * *

22 D. The sharing of information by the commissioner pursuant to this ~~Act~~
23 Subpart shall not constitute a delegation of regulatory authority or rulemaking, and
24 the commissioner is solely responsible for the administration, execution, and
25 enforcement of the provisions of this Subpart.

26 * * *

27 Section 2. R.S. 44:4.1(B)(11) is hereby amended to read as follows:

28 §4.1. Exceptions

29 * * *

1 B. The legislature further recognizes that there exist exceptions, exemptions,
2 and limitations to the laws pertaining to public records throughout the revised
3 statutes and codes of this state. Therefore, the following exceptions, exemptions, and
4 limitations are hereby continued in effect by incorporation into this Chapter by
5 citation:

6 * * *
7 (11) R.S. 22:2, 14, 31~~(B)~~, 42.1, 88, 244, 263, 461, 550.7, 571, 572, 572.1,
8 574, 618, 639, 691.4, 691.5, 691.10, 732, 752, 753, 771, 834, 1008, 1019.2~~(B)~~~~(5)~~(a),
9 1203, 1460, 1464, 1466, 1546, 1644, 1656, 1723, 1796, 1801, 1927, 1929, 1983,
10 1984, 2036, 2056, 2085, 2091, 2293, 2303

11 * * *

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)]

Thibaut

HB No. 879

Abstract: Changes the date for filing annual registration statements for insurance holding companies to April 30; exempts insurers with annual direct written and assumed premiums of less than \$500 million from filing an annual enterprise risk report; and exempts documents provided to the Dept. of Insurance in the course of an examination or investigation from the Public Records Law.

Present law requires insurance holding companies to file annual registration statements by April 1.

Proposed law requires insurance holding companies to file annual registration statements by April 30.

Present law requires every insurance holding company to file an annual enterprise report.

Proposed law provides an exemption to filing an annual enterprise report for insurers with annual direct written and assumed premiums of less than \$500 million.

Proposed law provides an exemption to the Public Records Law for documents and other information obtained by or disclosed to the commissioner of insurance in the course of an examination or investigation.

(Amends R.S. 22:691.6(A)(2), (J)(2), and (L), 691.10(A) and (D), and R.S. 44:4.1(B)(11))