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**HOUSE COMMITTEE AMENDMENTS**

2016 Regular Session

Amendments proposed by House Committee on Labor and Industrial Relations to Original House Bill No. 280 by Representative Broadwater

AMENDMENT NO. 1

1 On page 1, line 3, after "1200.5(D)" and before the comma "," insert "and (E)"

AMENDMENT NO. 2

4 On page 1, line 6, after "dissolution;" insert "to provide for delinquency proceedings; to  
5 provide jurisdiction; to prioritize the distribution of assets after the dissolution of a fund; to  
6 provide for public records exception;"

AMENDMENT NO. 3

8 On page 1, line 10, after "1200.5(D)" and before the comma "," insert "and (E)"

AMENDMENT NO. 4

10 On page 2, line 22, change "place" to "order"

AMENDMENT NO. 5

12 On page 2, line 23, change "on a corrective action plan to" to "to submit a corrective action  
13 plan to the commissioner for his approval to"

AMENDMENT NO. 6

15 On page 2, delete lines 26 through 28, in their entirety and insert the following:

16 "(2) The corrective action plan shall be submitted by the fund to the commissioner  
17 for his approval and include standards, time frames, and other parameters acceptable  
18 to the commissioner. Any corrective action plan that is submitted to the  
19 commissioner by a fund is confidential and not subject to the Public Records Law,  
20 R.S. 44:1 et seq."

AMENDMENT NO. 7

22 On page 3, delete lines 12 through 14, and insert following:

23 "action plan approved by the commissioner may result in any of the following:  
24 (a) The imposition of fines and penalties.  
25 (b) Revocation of the fund's certificate of authority.  
26 (c) Placement of the fund into confidential administrative supervision.  
27 (d) Placement of the fund into conservation, rehabilitation, or liquidation."

AMENDMENT NO. 8

29 On page 3, line 18, change "D." to "D.(1)"

AMENDMENT NO. 9

31 On page 3, at the end of line 20, insert "hereby expressly"

1 AMENDMENT NO. 10

2 On page 3, line 21, after "including" insert "entering an order for injunctive relief or"

3 AMENDMENT NO. 11

4 On page 3, line 23, after "liquidation." and before "The" insert the following:

5 "(2)(a) The Nineteenth Judicial District Court shall have exclusive  
6 jurisdiction to hear any delinquency proceeding instituted by the commissioner for  
7 the failure of a fund to comply with the approved corrective action plan.

8 (b) The court may issue an injunction to restrain the fund and its officers,  
9 agents, directors, or employees from transacting any insurance business or disposing  
10 of property until further action by the court. The court may issue any other such  
11 injunction as it deems necessary to prevent interference with the proceedings or with  
12 the ability of the commissioner to conduct business; as well as any injunction sought  
13 to protect any assets that are in the control of the commissioner.

14 (3)"

15 AMENDMENT NO. 12

16 On page 3, between lines 25 and 26, insert the following:

17 "E. The distribution of general assets from the estate of a fund shall be  
18 prioritized as follows:

19 (1) The commissioner's costs and expenses of administration.

20 (2) Any amounts payable to the Louisiana Workers' Compensation Second  
21 Injury Fund, when the commissioner makes a determination that the payment is in  
22 the best interest of the estate of the fund.

23 (3) Payment of claims by injured workers, beneficiaries, and insureds arising  
24 from and within the coverage of agreements or evidences of coverage issued by the  
25 fund, up to the policy limits.

26 (4) Payment of claims by the federal government other than those claims  
27 otherwise prioritized within this Subsection.

28 (5)(a) Payment of compensation owed to employees of the fund, excluding  
29 officers, for services rendered within three months prior to the commencement of a  
30 proceeding against the fund, up to two thousand five hundred dollars for each  
31 employee.

32 (b) Payment to employees shall occur as soon as practicable after the  
33 proceeding has commenced provided that the commissioner has reserved the funds  
34 sufficient for the payment of claims as prioritized pursuant to this Subsection.

35 (6) Payment of claims for unearned premiums or other premium refunds and  
36 claims of general creditors, including claims of any ceding and assuming company  
37 in their capacity as such.

38 (7) Payment of all other claims."