AN ACT

To amend and reenact R.S. 22:165(B) and to enact R.S. 22:81(D), 82(D) and (E), 111(D), 112(D) and (E), and 165(C), relative to capital and surplus requirements for certain domestic insurers; to provide for minimum requirements for domestic insurers writing homeowners' insurance and fire and allied lines insurance; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 22:165(B) is hereby amended and reenacted and R.S. 22:81(D), 82(D) and (E), 111(D), 112(D) and (E), and 165(C) are hereby enacted to read as follows:

§81. Capital requirements; applicants prior to September 1, 1989

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D. Domestic stock insurers authorized to transact homeowners' insurance or fire and allied lines prior to September 1, 1989, shall have paid-in capital, a minimum surplus, and an operating surplus totaling at least five million dollars by December 31, 2026, and totaling at least ten million dollars by December 31, 2031.

§82. Capital requirements; applicants on and after September 1, 1989

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D. Domestic stock insurers authorized to transact homeowners' insurance or fire and allied lines after September 1, 1989, shall have paid-in capital, a minimum surplus, and an operating surplus totaling at least five million dollars by December 31, 2026, and totaling at least ten million dollars by December 31, 2031.

CODING: Words in struck through type are deletions from existing law; words underscored are additions.
E. Domestic stock insurers who apply for a certificate of authority that includes homeowners’ insurance or fire and allied lines after September 1, 2022, shall have paid-in capital, a minimum surplus, and an operating surplus totaling at least ten million dollars.

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§111. Surplus requirements; applicants prior to September 1, 1989

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D. Domestic mutual insurers authorized to transact homeowners’ insurance or fire and allied lines prior to September 1, 1989, shall have an initial minimum surplus and an operating surplus totaling at least five million dollars by December 31, 2026, and totaling at least ten million dollars by December 31, 2031.

§112. Surplus requirements; applicants on and after September 1, 1989

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D. Domestic mutual insurers authorized to transact homeowners’ insurance or fire and allied lines after September 1, 1989, shall have an initial minimum surplus and an operating surplus totaling at least five million dollars by December 31, 2026, and totaling at least ten million dollars by December 31, 2031.

E. Domestic mutual insurers who apply for a certificate of authority that includes homeowners’ insurance or fire and allied lines after September 1, 2022, shall have an initial minimum surplus and an operating surplus totaling at least ten million dollars.

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§165. Minimum application and surplus requirements

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B. Insurers already organized and qualified under the laws of this state as of July 27, 1966, shall continue to have the same underwriting powers they had as of that date, provided all such insurers shall increase the surplus requirements to the amounts set out in Subsection A of this Section on or before August 1, 1967.

Domestic reciprocal insurers authorized to transact homeowners’ insurance or fire and allied lines after August 1, 1967, shall have an initial minimum surplus of at

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least five million dollars by December 31, 2026, and at least ten million dollars by
December 31, 2031.

C. Domestic reciprocal insurers who apply for a certificate of authority that
includes homeowners’ insurance or fire and allied lines after September 1, 2022,
shall have an initial minimum surplus of at least ten million dollars.

Section 2. This Act shall become effective January 1, 2023.