

2026 Regular Session

HOUSE BILL NO. 1187

BY REPRESENTATIVE SAWYER

INSURANCE: Provides for emergency assessments of the Louisiana Citizens Property Insurance Corporation

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AN ACT

To amend and reenact R.S. 22:2297(D)(2), 2307(G), and 2317 and to enact R.S. 22:2292(A)(13), relative to emergency assessments of the Louisiana Citizens Property Insurance Corporation; to provide for definitions; to provide for the disposition of certain monies; to provide for deposit authorization of certain monies; to provide for certain prerequisites; to provide for administrative costs; to provide for reporting requirements; to provide for effectiveness; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 22:2297(D)(2), 2307(G), and 2317 are hereby amended and reenacted and R.S. 22:2292(A)(13) is hereby enacted to read as follows:

§2292. Definitions; personal property; option to exclude

A. As used in this Part, unless the context otherwise requires:

* * *

(13) "Excess emergency assessment monies" means monies derived from emergency assessments levied pursuant to R.S. 22:2307 that are no longer required to pay, secure, or otherwise satisfy bonds or other indebtedness payable from, or secured by, emergency assessment revenues, together with any amounts required

1 Section, and emergency assessments under Subsection E of this Section. Emergency
 2 assessments collected under Subsection E of this Section are not part of an insurer's
 3 rates, are not premium, and are not subject to premium tax, fees, or commissions.
 4 However, failure to pay the emergency assessment shall be treated as failure to pay
 5 premium. The emergency assessments under Subsection E of this Section shall
 6 continue to be levied and collected and shall be used to make any payments due with
 7 respect to any bonds issued or other indebtedness incurred with respect to a deficit
 8 for which the assessment was imposed remains outstanding, even if no event of
 9 default has occurred under the bonds or other indebtedness, unless adequate
 10 protection and provision has been made for the payment of such bonds or other
 11 indebtedness pursuant to the documents governing such bonds or other indebtedness.

12 (2) After all bonds issued or other indebtedness incurred that are payable
 13 from, secured by, or otherwise related to emergency assessments levied pursuant to
 14 Subsection E of this Section have been paid in full or are no longer outstanding by
 15 reason of defeasance or other legally effective provision for payment, any excess
 16 emergency assessment monies may be retained for the payment of future debts or
 17 used for the purposes and in the manner provided for in R.S. 22:2317(B), including
 18 as funding for the Louisiana Fortify Homes Program, as provided in R.S. 22:1483.1.

19 * * *

20 §2317. Refund and use of certain assessments

21 A. At the time of issuance or annual renewal of a property insurance policy,
 22 each insurer shall include the following with the policy sent to each insured:

23 (1) ~~Information~~ As applicable, information on the electronic link to the form
 24 designated by the Department of Revenue to receive a refund from the state after its
 25 payment by the insured ~~pursuant to R.S. 47:6025(A)(3)~~ for the amount of any
 26 surcharge, market equalization charge, or other assessment levied by the corporation
 27 pursuant to R.S. 22:2307 due to Hurricanes Katrina and Rita.

1 (2) ~~As applicable~~, a statement in fourteen-point or boldface type that any
2 surcharge, market equalization charge, or other assessment levied by the corporation
3 pursuant to R.S. 22:2307 due to Hurricanes Katrina and Rita is refundable.

4 B. Notwithstanding any other law to the contrary, the corporation shall not
5 transfer, donate, expand, or otherwise dispose of emergency assessment monies for
6 purposes of this Subsection, unless and until all bonds or other indebtedness payable
7 from or secured by emergency assessment revenues have been paid in full or are no
8 longer outstanding by reason of defeasance or other legally effective provision for
9 payment under the related financing documents.

10 C. Within ninety days of the provisions of Subsection B of this Section being
11 satisfied, the governing board of the corporation shall adopt a resolution certifying
12 the requirements of Subsection B of this Section have been satisfied and the amount,
13 if any, of excess emergency assessment monies and directing the transfer of such
14 monies for the purposes authorized pursuant R.S. 22:2307(G) and this Section.

15 D. Following certification pursuant to Subsection C of this Section, excess
16 emergency assessment monies may be transferred to the Louisiana Fortify Homes
17 Program Fund provided for in R.S. 22:1483.1, and such funds shall be used only for
18 the purposes authorized pursuant to R.S. 22:1483.1.

19 E. Following the certification required by Subsection C of this Section, the
20 corporation shall transfer excess emergency assessment monies, in accordance with
21 the resolution adopted by the board of directors, to the state treasurer for deposit into
22 the state treasury for deposit into the Louisiana Fortify Homes Program Fund, in
23 accordance with R.S. 22:1483.1, for the exclusive purpose of funding the Louisiana
24 Fortify Homes Program in accordance with the provisions of R.S. 22:1483.1.

25 F. The corporation may expend a reasonable amount of excess emergency
26 assessment monies to pay actual, necessary, and documented costs associated with
27 determining the excess emergency assessment monies, supporting the certification,
28 and effectuating the transfer of monies pursuant to the provisions of this Section.
29 The governing board shall approve such costs by resolution.

1 G. The corporation shall submit to the House and Senate committees on
2 insurance and shall post on its public website all of the following:

3 (1) The board resolution required pursuant to Subsection C of this Section.

4 (2) A report within sixty days of the transfer of monies pursuant to
5 Subsection E of this Section, stating the amount transferred, the administrative costs
6 paid in accordance with Subsection F of this Section, and the date of transfer.

7 Section 2. This Act shall become effective upon signature by the governor or, if not
8 signed by the governor, upon expiration of the time for bills to become law without signature
9 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
10 vetoed by the governor and subsequently approved by the legislature, this Act shall become
11 effective on the day following such approval.

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)]

HB 1187 Original

2026 Regular Session

Sawyer

Abstract: Provides for excess emergency assessment monies allocation.

Proposed law retains present law definitions relative to personal property. Proposed law adds the term "excess emergency assessment monies" to definitions.

Present law authorizes the La. Citizens Property Insurance Corporation (corporation) to pledge, assign, and grant a security interest in the assessments, insurance and reinsurance recoverables, surcharges, and other funds available to the corporation as the source of revenue for and to secure bonds or other indebtedness.

Proposed law allows any excess emergency assessment monies to be retained for the payment of future debts or used for the purposes and in the manner provided for in proposed law, (R.S. 22:2317(B)), including as funding for the Louisiana Fortify Homes Program, as provided in present law (R.S. 22:1483.1), after all bonds issued or other indebtedness incurred that are payable from, secured by, or otherwise related to emergency assessments levied pursuant to present law have been paid in full or are no longer outstanding by reason of defeasance or other legally effective provision for payment.

Proposed law exempts the corporation from retaining any profits or excess reserves generated to be used to offset deficits incurred by the plans for the purpose of funding the Louisiana Fortify Homes Program, as provided for in present law.

Proposed law prohibits the corporation from transferring, donating, expanding, or otherwise disposing of emergency assessment monies pursuant to present law unless and until all bonds or other indebtedness payable from or secured by emergency assessment revenues have been paid in full or are no longer outstanding by reason of defeasance or other legally effective provision for payment under the related financing documents.

Proposed law requires the governing board of the corporation to adopt a resolution certifying that the requirements of present law have been satisfied and the amount, if any, of excess emergency assessment monies and directing the transfer of such monies for the purposes authorized pursuant to present law and proposed law, within 90 days of the provisions of present law being satisfied.

Proposed law permits excess emergency assessment monies to be transferred to the Louisiana Fortify Homes Program Fund and such funds shall be used only for the purposes authorized following certification pursuant to present law.

Proposed law requires following the certification required by present law, the corporation shall transfer excess emergency assessment monies to the state treasurer for deposit into the state treasury for deposit into the Louisiana Fortify Homes Program Fund for the exclusive purpose of funding the Louisiana Fortify Homes Program.

Proposed law allows the corporation to expend a reasonable amount of excess emergency assessment monies to pay actual, necessary, and documented costs associated with determining the excess emergency assessment monies, supporting the certification, and effectuating the transfer of monies pursuant to present law. Proposed law authorizes the governing board shall approve such costs by resolution.

Proposed law requires the corporation to submit to the House and Senate committees on insurance and post on its public website the following:

- (1) The board resolution required pursuant to present law.
- (2) A report within 60 days of the transfer of monies pursuant to present law, stating the amount transferred, the administrative costs paid in accordance with present law, and the date of transfer.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 22:2297(D)(2), 2307(G), and 2317; Adds R.S. 22:2292(A)(13))