

2026 Regular Session

HOUSE BILL NO. 903

BY REPRESENTATIVE ILLG

INSURANCE: Provides for fines issued by the commissioner of insurance

1 AN ACT

2 To amend and reenact R.S. 22:18(A), 257(B), 1019.3(D)(2), 1529(B), 1554(A)(introductory
3 paragraph), 1672(A)(introductory paragraph), 1770, and 1808.8(A)(introductory
4 paragraph), relative to fines issued by the commissioner; to provide for certain
5 limitations; to make technical changes; to provide for effectiveness; and to provide
6 for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 22:18(A), 257(B), 1019.3(D)(2), 1529(B), 1554(A)(introductory
9 paragraph), 1672(A)(introductory paragraph), 1770, and 1808.8(A)(introductory paragraph)
10 are hereby amended and reenacted to read as follows:

11 §18. Suspension or revocation of insurers' licenses; fines; orders

12 A. The commissioner of insurance may, as a penalty, in accordance with R.S.
13 49:977.3, refuse to renew, or may suspend or revoke, the certificate of authority or
14 license of any insurer, person, or entity violating any of the provisions of this Code,
15 or in lieu of suspension or revocation of a certificate or license duly issued, the
16 commissioner may levy a fine not to exceed one thousand dollars for each violation
17 per insurer, person, or entity, up to one ~~hundred thousand~~ million dollars aggregate
18 for all violations in a calendar year per insurer, person, or entity, ~~when~~ if such
19 violations warrant the refusal, suspension, or revocation of such certificate or license,
20 or the imposition of the fine. The commissioner ~~is also authorized to~~ may also order

1 any insurer, person, or entity to cease and desist any ~~such~~ action that violates any
 2 provision of this Code. An aggrieved party affected by the commissioner's decision,
 3 act, or order may demand a hearing in accordance with Chapter 12 of this Title, R.S.
 4 22:2191 et seq. If the insurer has demanded a timely hearing, the penalty or fine
 5 ordered by the commissioner shall not be imposed until such time as the division of
 6 administrative law makes a finding that the penalty or fine is warranted in a proper
 7 hearing held in the manner provided in Chapter 12 of this Title.

* * *

9 §257. Suspension or revocation of certificate of authority

* * *

11 B. A certificate of authority shall be suspended or revoked only after
 12 compliance with the requirements of R.S. 22:259 except in cases where such delay
 13 would cause irreparable harm or substantial monetary loss in the opinion of the
 14 commissioner. In lieu of suspension or revocation of a license duly issued, the
 15 commissioner may levy a fine not to exceed one thousand dollars for each violation
 16 and up to ~~one hundred thousand~~ one million dollars aggregate for all violations in a
 17 calendar year. The commissioner ~~of insurance~~ is authorized to suspend the
 18 imposition of the fines authorized ~~under~~ pursuant to this Section.

* * *

20 §1019.3. Enforcement provisions; penalties; regulations

* * *

22 D.

* * *

24 (2) The commissioner may refuse to renew, suspend, or revoke the certificate
 25 of authority of any health insurance issuer violating any of the provisions of this
 26 Subpart, or in lieu of suspension or revocation of a license duly issued, the
 27 commissioner may levy a fine not to exceed one thousand dollars for each violation
 28 per health insurance issuer, up to ~~one hundred thousand~~ million dollars aggregate for
 29 all violations in a calendar year per health insurance issuer, ~~when~~ if such violations,

1 in his opinion, after a proper hearing, warrant the refusal, suspension, or revocation
 2 of such certificate, or the imposition of a fine. The commissioner of insurance is
 3 authorized to withhold fines imposed ~~under~~ pursuant to this Subpart. Such hearing
 4 shall be held in the manner provided in Chapter 12 of this Title, R.S. 22:2191 et seq.
 5 Additionally, the commissioner may take any other administrative action, including
 6 imposing those fines and penalties enumerated in R.S. 22:18.

7 * * *

8 §1529. Penalties

9 * * *

10 B. A monetary penalty not to exceed five hundred dollars may be imposed
 11 for each violation. No fine or fines shall be imposed against a lessor, pursuant to this
 12 Section, which aggregates in excess of ~~ten~~ one hundred thousand dollars in any
 13 calendar year.

14 * * *

15 §1554. License denial, nonrenewal, or revocation

16 A. The commissioner may place on probation, suspend, revoke, or refuse to
 17 issue, renew, or reinstate an insurance producer license, or may levy a fine not to
 18 exceed five hundred dollars for each violation occurring, up to ~~ten~~ one hundred
 19 thousand dollars aggregate for all violations in a calendar year per applicant or
 20 licensee, or any combination of actions, for any one or more of the following causes:

21 * * *

22 §1672. License denial, nonrenewal, or revocation

23 A. The commissioner ~~of insurance~~ may place on probation, suspend, revoke,
 24 or refuse to issue, renew, or reinstate a claims adjuster's license or may levy a fine
 25 not to exceed five hundred dollars for each violation up to ~~ten~~ one hundred thousand
 26 dollars aggregate for all violations in a calendar year, unless a fine is established by
 27 separate statute in this Title authorizing a greater penalty, or any combination of
 28 actions, for any one or more of the following causes:

29 * * *

1 §1770. Penalties for violations

2 In the event that any provision of this Part or other applicable provision of
3 this Title is violated by a limited licensee, the commissioner may revoke, suspend,
4 refuse to renew, or levy a fine not to exceed one thousand dollars for each violation;
5 up to one ~~hundred thousand~~ million dollars in the aggregate for all violations in a
6 calendar year per limited licensee, or impose such other penalty as the commissioner
7 may deem necessary or convenient to carry out the purposes of this Part.

8 * * *

9 §1808.8. License denial, suspension, nonrenewal, or revocation

10 A. The commissioner ~~of insurance~~ may place on probation, suspend, revoke,
11 or refuse to issue, renew, or reinstate an insurance consultant license, or may levy a
12 fine not to exceed five hundred dollars for each violation occurring, up to ~~ten~~ one
13 hundred thousand dollars aggregate for all violations in a calendar year per applicant
14 or licensee, or any combination of these actions, for any one or more of the following
15 causes:

16 * * *

17 Section 2. This Act shall become effective upon signature by the governor or, if not
18 signed by the governor, upon expiration of the time for bills to become law without signature
19 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
20 vetoed by the governor and subsequently approved by the legislature, this Act shall become
21 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 903 Engrossed 2026 Regular Session Illg

Abstract: Provides relative to fines issued by the commissioner of insurance.

Present law imposes various amounts of fines per insurer, person, health insurance issuer, applicant or licensee, or entity for violations. Present law allows fines to be aggregated up to a certain limit in a calendar year.

Present law grants the commissioner in lieu of suspension or revocation of a certificate or license duly issued to levy a fine not to exceed \$1,000 for each violation per insurer, person, or entity, up to \$100,000 aggregate for all violations in a calendar year per insurer, person, or entity. Proposed law retains present law and increases the aggregation amount from \$100,000 to \$1,000,000 for all violations in a calendar year per insurer, person, or entity.

Present law requires that a certificate of authority shall be suspended or revoked only after compliance with the requirements of R.S. 22:259 except in cases where such delay would cause irreparable harm or substantial monetary loss in the opinion of the commissioner. Present law authorizes the commissioner, in lieu of suspension or revocation of a license duly issued, to levy a fine not to exceed one thousand dollars for each violation and up to \$100,000 aggregate for all violations in a calendar year. Proposed law retains present law and increases the aggregation amount from \$100,000 to \$1,000,000 for all violations in a calendar year.

Present law grants the commissioner authority to refuse to renew, suspend, or revoke the certificate of authority of any health insurance issuer violating any of the provisions of present law or in lieu of suspension or revocation of a license duly issued, the commissioner may levy a fine not to exceed \$1,000 for each violation per health insurance issuer and up to \$100,000 aggregate for all violations in a calendar year per health insurance issuer. Proposed law retains present law and increases the aggregation amount from \$100,000 to \$1,000,000 for all violations in a calendar year for a health insurance issuer.

Present law requires that a monetary penalty not to exceed \$500 may be imposed for each violation and requires no fine or fines be imposed against a lessor, pursuant to present law which aggregates in excess of \$10,000 in any calendar year. Proposed law retains present law and increases the aggregation of fines in excess of \$10,000 to \$100,000 for all violations in a calendar year.

Present law authorizes the commissioner to place on probation, suspend, revoke, or refuse to issue, renew, or reinstate an insurance producer license, or may levy a fine not to exceed \$500 for each violation occurring, up to \$10,000 aggregate for all violations in a calendar year per applicant or licensee, or any combination of actions. Proposed law retains present law and increases the aggregation of fines in excess of \$10,000 to \$100,000 for all violations in a calendar year per applicant or licensee for all violations in a calendar year for an insurance producer.

Present law grants the commissioner to place on probation, suspend, revoke, or refuse to issue, renew, or reinstate a claims adjuster's license or may levy a fine not to exceed \$500 for each violation up to \$10,000 aggregate for all violations in a calendar year. Proposed law retains present law and increases the aggregation of fines in excess of \$10,000 to \$100,000 for all violations in a calendar year for a claims adjuster.

Present law authorizes the commissioner to revoke, suspend, refuse to renew, or levy a fine not to exceed \$1,000 for each violation, up to \$100,000 in the aggregate for all violations in a calendar year, if the provisions in present law are violated by a limited licensee. Proposed law retains present law and increases the aggregation amount from \$100,000 to \$1,000,000 aggregation for all violations in a calendar for a limited licensee.

Present law authorizes the commissioner of insurance may place on probation, suspend, revoke, or refuse to issue, renew, or reinstate an insurance consultant license, or may levy a fine not to exceed \$500 for each violation occurring, up to \$10,000 aggregate for all violations in a calendar year. Proposed law retains present law and increases the aggregation of fines in excess of \$10,000 to \$100,000 for all violations in a calendar year for an insurance consultant.

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

(Amends R.S. 22:18(A), 257(B), 1019.3(D)(2), 1529(B), 1554(A)(intro. para.), 1672(A)(intro. para.), 1770, and 1808.8(A)(intro. para.))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Insurance to the original bill:

1. Restore present law relative to various amounts of fines per insurer, person, health insurance issuer, applicant or licensee, or entity for violations and fine aggregation amounts in a calendar year.
2. Change the aggregate amount for violations in a calendar year from \$100,000 to \$1,000,000 per insurer, person, health insurance issuer, applicant or licensee, or entity.
3. Change the aggregate amount the commissioner could levy for violations not to exceed five hundred dollars for each violation from up to \$10,000 to \$100,000 for all violations in a calendar year, unless a fine is established by separate for a lessor, an insurance producer, claims adjuster, and an insurance consultant.
4. Make technical change.