HLS 14RS-1303 ORIGINAL

Regular Session, 2014

HOUSE BILL NO. 660

BY REPRESENTATIVE PIERRE

INSURERS: Provides relative to property residual value insurers

1 AN ACT 2 To amend and reenact R.S. 22:382 and 389(A)(introductory paragraph), relative to property 3 residual value insurers; to provide that a property residual value insurer shall notify 4 the commissioner of insurance within sixty days of any material change in its 5 ownership, control, or other circumstance affecting its qualifications for a license; 6 to permit the commissioner of insurance to levy a fine; and to provide for related 7 matters. 8 Be it enacted by the Legislature of Louisiana: 9 Section 1. R.S. 22:382 and 389(A)(introductory paragraph) are hereby amended and 10 reenacted to read as follows: 11 §382. License required of property residual value insurer; notice of material change 12 <u>required</u> 13 A. No person shall act as or attempt to act as a property residual value 14 insurer unless licensed to do so by the commissioner. Each application shall be 15 submitted to the commissioner along with the fee for such license in the amount of 16 one thousand five hundred dollars. Licenses shall be renewed annually upon payment 17 of a fee of one thousand five hundred dollars, which shall be paid no later than 18 March fifteenth of each year. 19 B. A licensee shall notify the commissioner within sixty days of any material 20 change in its ownership, control, or other fact or circumstance affecting its 21 qualification for a license in this state. Material changes shall include but are not limited to the following: 22

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CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

1 (1) Changes in officers or directors. 2 (2) Changes in ownership. 3 (3) Change in articles of incorporation. 4 (4) A merger. (5) An addition or change of a trade name or "d/b/a". 5 (6) Cessation of business in Louisiana. 6 7 8 §389. Revocation or suspension of license; fine 9 A. The commissioner may <u>levy</u> a fine not to exceed one thousand dollars or 10 revoke or suspend any license required by this Subpart in accordance and compliance with R.S. 49:961. Any license issued under the provisions of this Subpart shall be 11 12 revoked or suspended for the following causes: 13

## **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)]

Pierre HB No. 660

**Abstract:** Requires property residual value insurers to notify the commissioner of insurance of any corporate structure changes within 60 days.

<u>Present law</u> requires property residual value insurers be licensed by the commissioner of insurance but does not require property residual value insurers to notify the commissioner of insurance of any changes in their corporate structure.

<u>Proposed law</u> requires property residual value insurers licensed in La. to notify the commissioner of insurance of any changes in their corporate structure. Such changes include but are not limited to:

- (1) Changes in officers or directors.
- (2) Changes in ownership.
- (3) Change in articles of incorporation.
- (4) A merger.
- (5) An addition or change of a trade name or "d/b/a".
- (6) Cessation of business in La.

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<u>Present law</u> provides that the commissioner may suspend or revoke the license of a property residual value insurer.

<u>Proposed law</u> retains <u>present law</u> but also provides that the commissioner may levy a fine not to exceed \$1,000 in lieu of suspending or revoking the license.

(Amends R.S. 22:382 and 389(A)(intro. para.))