### 2016 Regular Session

### HOUSE CONCURRENT RESOLUTION NO. 132

### BY REPRESENTATIVE SEABAUGH

# INSURANCE COMMISSIONER: Urges and requests the Department of Insurance to study the issuance of private letter rulings by the commissioner of insurance

1	A CONCURRENT RESOLUTION
2	To urge and request the Department of Insurance to study the issuance of private letter
3	rulings by the commissioner of insurance.
4	WHEREAS, a private letter ruling has been defined as a document that states the
5	intent of a state insurance commissioner to take no enforcement action with respect to an
6	insurer regarding the subject matter of the private letter ruling; and
7	WHEREAS, a private letter ruling is not a statement of general applicability for
8	which promulgation of a rule or regulation is appropriate; and
9	WHEREAS, a private letter ruling is limited in its effect to the matter described in
10	the private letter ruling and has no precedential value; and
11	WHEREAS, only an insurer may request a private letter ruling; and
12	WHEREAS, the Louisiana Department of Insurance is concerned about its ability
13	to issue informal opinions to insurance companies regarding the proposed actions of a
14	particular insurance company based on a specific set of facts presented by the company; and
15	WHEREAS, the authority to issue private letter rulings may allow department
16	regulators to do their jobs more effectively and efficiently by proactively communicating
17	with an insurance company about both proposed action prior to the company's taking action
18	or implementing policies or procedures which could result in regulatory action being
19	initiated against it; and

#### HLS 16RS-4554

1	WHEREAS, the issuance of private letter rulings may allow insurance companies	
2	and the Louisiana Department of Insurance to work together to determine whether a	
3	particular company's proposed actions are authorized by the Louisiana Insurance Code; and	
4	WHEREAS, such efforts could reduce regulatory uncertainty and unnecessary	
5	regulatory costs that are ultimately passed on to consumers.	
6	THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby	
7	urge and request the Department of Insurance to study the issuance of private letter ruling	
8	by the commissioner of insurance.	
9	BE IT FURTHER RESOLVED that the Department of Insurance shall submit its	
10	findings from the study in the form of a report to the House Committee on Insurance and	
11	Senate Committee on Insurance on or before January 15, 2017.	
12	BE IT FURTHER RESOLVED that such a study include a review of other states to	
13	determine what actions, particularly the consideration or enactment of legislation, have been	
14	taken on this subject by other states.	
15	BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the	
16	commissioner of insurance.	

## 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)]

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Urges and requests the Department of Insurance to study the issuance of private letter rulings by the commissioner of insurance and to report findings and recommendations to the legislative committees on insurance on or before Jan. 1, 2017.