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SB 214 Engrossed

DIGEST
2025 Regular Session

Duplessis

Present law provides for elections integrity investigations by the Board of Ethics and provides for the state offices to which the powers and duties of the board apply.

Proposed law removes the commissioner of insurance from provisions in the election code regulating the election of the commissioner of insurance, particularly from the definition of a state office and a major office under the code.

Present law creates the office of the commissioner of insurance to administer the provisions of the Louisiana Insurance Code. Provides for election of the commissioner for a four-year term.

Proposed law provides for the appointment by the governor of the commissioner of insurance, subject to Senate confirmation, to serve a term of six years. The person appointed shall not serve more than two consecutive six-year terms as commissioner.

Present law requires the commissioner to appoint a chief deputy commissioner and an assistant commissioner, both of whom serve at his pleasure.

Proposed law authorizes the commissioner to appoint a chief deputy who may perform the duties of the commissioner in the absence of the commissioner.

Proposed law requires that the governor appoint a commissioner of insurance from a list of nominees submitted by a nominating committee comprised of the following:

- (1) One member appointed from the state at large by the state treasurer.
- (2) One member appointed by the speaker of the House of Representatives from the membership of the House Committee on Insurance.
- (3) One member appointed by the president of the Senate from the membership of the Senate Committee on Insurance.
- (4) One member appointed from the state at large by the attorney general.
- (5) One member appointed by the governor from the Louisiana Bankers Association.
- (6) One member appointed by the governor from the Louisiana Home Builders Association.

- (7) One member appointed by the governor from the Louisiana chapter of the National Association of Insurance and Financial Advisors.
- (8) One member appointed by the governor from the Louisiana Chapter of the Consumer Federation of America.
- (9) One member appointed by the governor from United Policyholders, Inc.
- (10) One member appointed by the governor from HousingLOUISIANA.
- (11) One member appointed by the governor from Invest in Louisiana.
- (12) Two members appointed by the governor from the state at large.

Proposed law requires that the nominating committee submit three names of eligible nominees to the governor within 60 days after the governor takes office or within 60 days after a vacancy occurs in the office of the commissioner of insurance. Requires that no person be recommended by the nominating committee unless approved by a majority of the members of the nominating committee.

Proposed law requires that the commissioner:

- (1) Be selected with special reference to his or her training, experience, capacity, and professional or business experience reasonably adequate in character and scope to discharge the responsibilities of commissioner.
- (2) Have at least five years' practical experience in one or more types of insurance regulated by the department or in administration, sales, servicing, or regulation of insurance.
- (3) Not hold any other public office of the state, whether elected or appointed.
- (4) Possess no financial interest, directly or indirectly, in any insurer, agency, or other entity that is regulated by the department, or engage in any insurance transaction, except as a policyholder or claimant under a policy.
- (5) Not have been an employee, officer, or shareholder of, or have any equity interest in, an insurer that has been declared insolvent or which insurer has been prevented from doing business in any state.

Proposed law provides for removal of the commissioner for any one of the following reasons:

- (1) The person does not possess the qualifications to be appointed commissioner at the time of his appointment.
- (2) The person fails to comply with all the qualifications required for the position of commissioner during service as commissioner.

- (3) The person is in violation of the Louisiana Code of Governmental Ethics.
- (4) The person is convicted of malfeasance in office.
- (5) The person has demonstrated incompetence while in office.
- (6) The person has failed to discharge his duties as commissioner in a manner consistent with the regulatory purpose and requirements of the Louisiana Insurance Code.
- (7) The person is unable to discharge his duties as commissioner for a substantial part of his term in office due to illness or disability.

Proposed law is to be implemented upon expiration of the term of office of the elected commissioner of insurance in office on the effective date of proposed law or whenever a vacancy occurs in the office, whichever occurs first. Provides that if a vacancy occurs prior to the expiration of the term of office of the incumbent commissioner, the first assistant of the commissioner shall serve until an appointment is made to fill the office in the manner provided in proposed law.

Effective on August 1, 2028.

(Amends R.S. 18:45(A), 551(B)(1)(c), and 1483(13), R.S. 22:2(A) and 454(B); and R.S. 36:681(C), 682(A), and 683)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Senate and Governmental Affairs to the original bill

1. Provided for additional members from organizations to be appointed by the governor to a nominating committee for the insurance commissioner.
2. Changed the effective date of the Act to August 1, 2028.