

RÉSUMÉ DIGEST

ACT 759 (SB 341)

2026 Regular Session

Edmonds

Existing law allows churches and nonprofit religious organizations to form self-insurance pools for property insurance through the Louisiana Churches and Nonprofit Religious Organizations Self-Insured Fund (the fund).

New law retains existing law and allows churches and nonprofit religious organizations to also form self-insurance pools for other types of risk with approval of the commissioner of insurance.

New law allows self-insurance pools for commercial coverage and defines "commercial coverage".

Existing law requires original books, records, documents, accounts, vouchers, and authorized reproductions to be preserved in La. for examination purposes until the department grants authority for their destruction or disposal. Provides that original records and certified reproductions to be retained for at least five years or through the subsequent examination period following the last department examination, whichever period is longer.

New law retains existing law but requires that records originally received in a digital or electronic format are to also be maintained for the period commencing on the first day following the last period examined by the department through the subsequent examination period, or five years, whichever is longer.

Existing law provides for a written application to the Department of Insurance (department) to form a self-insurance fund. Requires that the application contain proof of advance payment to the fund by each initial member of the fund of not less than 25% of that member's first year estimated annual normal premiums.

New law retains existing law except requires proof through a pledge to make advance payment prior to the fund providing coverage. Further authorizes the commissioner to suspend the funds' certificate or authority until every initial member of the fund has made their pledge advance payment and allows the commissioner to take additional regulatory action.

Existing law sets forth certain requirements for the fund and provides that the fund maintain a contract or contracts of specific excess insurance and reinsurance of not less than an amount that is actuarially sound and approved by the department.

New law retains existing law and requires the members of the fund establish and maintain an aggregate loss fund or a stop loss provision as part of the excess insurance policy placements in an amount equivalent to not more than one year's premium for each risk underwritten. Requires the trust fund for each risk underwritten to maintain a cash reserve, sufficient to cover payment of the entire aggregate loss fund, for each coverage year. Provides that a member of the fund shall not be responsible for the total obligations of the fund solely by reason of membership.

Existing law grants exclusive jurisdiction over any proceeding instituted under existing law to the 19th JDC.

New law retains existing law and further allows the fund and a member of the fund to resolve a claim dispute through mediation or appraisal process.

Effective June 2, 2026.

(Amends R.S. 12:1853, 1854(intro para), (3), and (7), 1855(B)(1)(intro para), (B)(2)(b)(xiii), 1856(A)(3) and (4), and 1870; adds R.S. 12:1855(A)(5)(c) and 1856(H); repeals R.S. 12:1855(A)(5)(b) and 1856(E))