RÉSUMÉ DIGEST

ACT 325 (HB 903) **2026 Regular Session** **Illg**

Existing law (R.S. 22:18(A), 257(B), 1019.3(D)(2), 1529(B), 1554(A), 1672(A), 1770, and 1808.8(A)) authorizes the commissioner of insurance (commissioner) to impose fines and administrative penalties in lieu of suspension or revocation of licenses for violations committed by insurers, health insurance issuers, licensees, and other regulated entities. Such imposition of fines is subject to specific per-violation limits and aggregate.

Existing law provides for per-violation fine amounts and establishes aggregate limits on the total amount of fines that may be imposed within a calendar year upon insurers, persons, entities, health insurance issuers, limited licensees, insurance producers, claims adjusters, insurance consultants, lessors, and applicants or licensees. Existing law stipulates that fines are generally restricted to a maximum of $1,000 for each violation, with aggregate annual limits set at $100,000 for insurers, individuals, entities, and specific licensees, while a cap of $10,000 applies to designated smaller license categories.

New law retains the per-violation fine limits established in existing law but increases the aggregate limits on fines that may be imposed by the commissioner within a calendar year. New law increases the aggregate annual cap on fines from $100,000 to $1,000,000 for insurers, persons, entities, health insurance issuers, and limited licensees per calendar year. New law increases the aggregate annual cap on fines from $10,000 to $100,000 for insurance producers, claims adjusters, insurance consultants, and other specified licensees. New law increases the aggregate annual cap applicable to lessors from $10,000 to $100,000.

New law retains existing law per-violation fine limits and enforcement mechanisms, including the authority of the commissioner to refuse to renew, suspend, or revoke licenses or certificates of authority, issue cease and desist orders, and impose fines in lieu of such actions. New law further retains the procedural safeguards outlined in existing law, including the right to an administrative hearing prior to the imposition of penalties.

Effective upon signature of governor (May 22, 2026).

(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.))