

2015 Regular Session

SENATE BILL NO. 59

BY SENATOR WARD

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

INSURERS. Provides relative to the withdrawal of deposits by domestic insurers. (gov sig)

AN ACT

To amend and reenact R.S. 22:807, relative to withdrawals of deposits; to provide for the withdrawal of deposits by domestic insurers; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 22:807 is hereby amended and reenacted to read as follows:

§807. Withdrawals

Withdrawal of any bond or deposit required by R.S. 22:801 ~~through 808~~ may be made only upon approval by the commissioner ~~of insurance~~. A withdrawal of a bond or deposit required by R.S. 22:801 or this Section shall be in accordance with the provisions of R.S. 22:341. In the case of a domestic insurer placed in rehabilitation or liquidation by the commissioner, the deposit required by R.S. 22:808 shall be surrendered to the receiver pursuant to an order of the receivership court. Upon release from rehabilitation or liquidation, the insurer shall comply with all applicable provisions of this Part.

Section 2. This Act shall become effective upon signature by the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If

1 vetoed by the governor and subsequently approved by the legislature, this Act shall become
2 effective on the day following such approval.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Cheryl Horne.

DIGEST

SB 59 Engrossed

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Ward

Present law requires the withdrawal of any bond or deposit by foreign and alien insurers to be made upon approval by the commissioner and in accordance with present law provisions for the withdrawal from doing business in the state.

Proposed law retains present law and requires domestic insurers to comply with present law provisions governing the withdrawal of any bond or deposit requirements.

Proposed law requires the surrender of a deposit to a receiver placed in rehabilitation or liquidation pursuant to an order of the receivership court. Requires the insurer to comply with present law upon release from rehabilitation or liquidation.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 22:807)

Summary of Amendments Adopted by SenateCommittee Amendments Proposed by Senate Committee on Insurance to the original bill

1. Makes technical changes.
2. Requires the surrender of a deposit to a receiver placed in rehabilitation or liquidation pursuant to an order of the receivership court. Requires the insurer to comply with present law upon release from rehabilitation or liquidation.