
DIGEST

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Abstract: Allows domestic insurers to invest in the stock of a Real Estate Investment Trust (REIT).

Present law allows any domestic life insurer to invest in shares of capital stock listed on a national securities exchange and in the securities of a solvent corporation with the following exceptions:

- (1) Corporations engaged solely in the business of owning and operating real estate.
- (2) Corporations having substantially all of its assets invested in the shares of those corporations.

Proposed law repeals those exceptions.

Present law allows a domestic life insurer to invest up to five percent of its admitted assets in the shares or securities of a REIT whose stock is listed on the New York Stock Exchange or the American Stock Exchange.

Proposed law retains present law and additionally allows the domestic life insurer to invest in a REIT domiciled in Louisiana whose stock is not listed on the New York Stock Exchange or the American Stock Exchange.

With respect to domestic insurers, proposed law allows an insurer to invest in shares of capital stock listed on a national securities exchange, bonds, securities, or other evidences of indebtedness of any solvent corporation with the following exceptions:

- (1) Corporations engaged solely in the business of owning and operating real estate.
- (2) Corporations having substantially all of its assets invested in the shares of those corporations.

Proposed law repeals those exceptions.

Present law allows the domestic insurer to also invest in REIT stock whose stock is listed on the New York Stock Exchange, the American Stock Exchange, or NASDAQ.

Proposed law allows the insurer to invest in a REIT domiciled in Louisiana.

Proposed law does not otherwise change the limitations on investments by domestic insurers

contained in present law.

(Amends R.S. 22:584(C)(1)(a) and (b) and (D)(1)(a)(i) and (ii))