

GREEN SHEET REDIGEST

HB 520

2016 Regular Session

Chad Brown

(KEYWORD, SUMMARY, AND DIGEST as amended by Senate committee amendments)

**INSURANCE: Provides for deposits made by certain foreign insurers applying for admission in Louisiana**

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DIGEST

Present law requires a foreign or alien insurer seeking a certificate of authority to transact business in Louisiana prepare and deliver to the commissioner a certificate from the proper official in the domiciliary state of the foreign insurer showing that a deposit has been made in the insurer's domiciliary state of not less than \$100,000.

Proposed law retains present law and requires the certificate to indicate that deposit has been made in the insurer's domiciliary state of not less than \$100,000 in compliance with the laws of that state.

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

(Amends R.S. 22:332(A)(13))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Insurance to the original bill:

1. Makes technical changes.

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Insurance to the engrossed bill

1. Removes the requirement for a supplemental deposit for the benefit of policyholders and creditors.
2. Removes the ability of a company to deposit with the commissioner a safekeeping or trust receipt from a bank doing business within the state or from a savings and loan association indicating that \$100,000 in money or bonds has been made for the benefit and protection of policyholders and creditors of the insurer in lieu of a deposit of \$100,000 in the domiciliary state.