

## RÉSUMÉ DIGEST

ACT 47 (SB 143)

2023 Regular Session

Henry

Existing law authorizes the commissioner of insurance (commissioner) to refuse to issue or rescind a letter of no objection to a former officer, director, or person having direct or indirect control over selection or appointment of the person if he finds the officer or director does not meet certain requirements provided by existing law.

New law retains existing law but requires the commissioner to refuse or rescind a letter of no objection if the person was a former officer, director, or had direct or indirect control over selecting or appointing an officer or director through contract, trust, or by operation of law of an insurer doing business in this state and the person served in that capacity within a two year period before the insurer went insolvent, unless the person can demonstrate to the commissioner that his personal actions and omissions were not a significant contributing cause of the insurer's insolvency.

New law authorizes the commissioner to issue a certificate of authority to a foreign or alien insurer if the person formerly served in the capacity listed in new law, and if at least five years have passed since the date of the insurer's insolvency.

New law defines a "personal action" as a breach of responsibilities, obligations, or duties imposed on a person.

Existing law authorizes the commissioner to suspend or revoke a foreign or alien insurer if certain legal requirements have not been met.

New law retains present law but requires the commissioner to refuse to issue, suspend, or revoke an insurer's certificate of authority if a person is serving as an officer, director, or had direct or indirect control over selecting or appointing an officer or director through contract, trust, or by operation of law of an insurer doing business in this state and the person served in that capacity within a two year period before the insurer went insolvent, unless the person can demonstrate to the commissioner that his personal actions and omissions were not a significant contributing cause of the insurer's insolvency.

New law authorizes the commissioner to provide a certificate of authority to a foreign or alien insurer who has a person serving as an officer, director, or person with direct or indirect control over the selection or appointment of an officer or director, and the person previously served in that capacity for an insurer that became insolvent, and at least five years have passed from the date the insurer became insolvent.

Effective August 1, 2023.

(Adds R.S. 22:41.3(F) and (G) and 337(F) and (G))