

2016 Regular Session

SENATE BILL NO. 200

BY SENATOR GATTI

INSURANCE COMMISSIONER. Provides relative to the authority of the commissioner to address violations of rules and regulations. (8/1/16)

1 AN ACT

2 To amend and reenact R.S. 22:18(A), relative to the authority of the commissioner of

3 insurance; to authorize the commissioner to address violations of rules and

4 regulations promulgated pursuant to the Louisiana Insurance Code; and to provide

5 for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 22:18(A) is hereby amended and reenacted to read as follows:

8 §18. Suspension or revocation of insurers' licenses; fines; orders

9 A. The commissioner of insurance may, as a penalty, in accordance with

10 R.S. 49:961, refuse to renew, or may suspend, or revoke the certificate of authority

11 or license of any insurer, person, or entity violating any of the provisions of this

12 Code **or any rule or regulation promulgated pursuant to this Code**, or in lieu of

13 suspension or revocation of a certificate or license duly issued, the commissioner

14 may levy a fine not to exceed one thousand dollars for each violation per insurer,

15 person, or entity, up to one hundred thousand dollars aggregate for all violations in

16 a calendar year per insurer, person, or entity, when such violations warrant the

17 refusal, suspension, or revocation of such certificate or license, or the imposition of

1 the fine. The commissioner ~~is~~ **may** also ~~authorized to~~ order any insurer, person, or  
 2 entity to cease and desist any ~~such~~ action that violates any provision of this Code or  
 3 **any rule or regulation promulgated pursuant to this Code.** An aggrieved party  
 4 affected by the commissioner's decision, act, or order may demand a hearing in  
 5 accordance with Chapter 12 of this Title, R.S. 22:2191 et seq. If the ~~insurer~~  
 6 **aggrieved party** has demanded a timely hearing, the penalty or fine ordered by the  
 7 commissioner shall not be imposed until such time as the division of administrative  
 8 law makes a finding that the penalty or fine is warranted in a proper hearing, held in  
 9 the manner provided in Chapter 12 of this Title.

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

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DIGEST

SB 200 Original

2016 Regular Session

Gatti

Present law authorizes the commissioner of insurance to revoke or suspend licenses or certificates, to levy fines, or to issue cease and desist orders to any insurer, person, or entity violating any provision of present law, the Louisiana Insurance Code.

Proposed law retains present law and extends the commissioner's authority to revoke or suspend licenses or certificates, to levy fines, or to issue cease and desist orders to any insurer, person, or entity violating any rule or regulation promulgated pursuant to present law, the Louisiana Insurance Code.

Effective August 1, 2016.

(Amends R.S. 22:18(A))