

SENATE BILL NO. 264

BY SENATOR BOUIE

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AN ACT

To amend and reenact R.S. 22:165(B) and to enact R.S. 22:81(D), 82(D) and (E), 111(D), 112(D) and (E), and 165(C), relative to capital and surplus requirements for certain domestic insurers; to provide for minimum requirements for domestic insurers writing homeowner's and fire and allied lines insurance; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 22:165(B) is hereby amended and reenacted and R.S. 22:81(D), 82(D) and (E), 111(D), 112(D) and (E), and 165(C) are hereby enacted to read as follows:

§81. Capital requirements; applicants prior to September 1, 1989

* * *

D. Domestic stock insurers authorized to transact homeowners' insurance or fire and allied lines prior to September 1, 1989, shall have paid-in capital, minimum surplus, and operating surplus in the amount of five million dollars on or after December 31, 2026, and ten million dollars on or after December 31, 2031.

§82. Capital requirements; applicants on and after September 1, 1989

* * *

D. Domestic stock insurers authorized to transact homeowners' insurance or fire and allied lines after September 1, 1989, shall have paid-in capital, minimum surplus, and operating surplus in the amount of five million dollars on or after December 31, 2026, and ten million dollars on or after December 31, 2031.

E. Domestic stock insurers who apply for a certificate of authority on or after September 1, 2022, that includes the lines of homeowners' insurance or fire and allied lines shall have paid-in capital, minimum surplus, and operating surplus in the amount of ten million dollars.

1 * * *

2 §111. Surplus requirements; applicants prior to September 1, 1989

3 * * *

4 D. Domestic mutual insurers authorized to transact homeowners'
5 insurance or fire and allied lines prior to September 1, 1989, shall have initial
6 minimum surplus and operating surplus in the amount of five million dollars
7 on or after December 31, 2026, and ten million dollars on or after
8 December 31, 2031.

9 §112. Surplus requirements; applicants on and after September 1, 1989

10 * * *

11 D. Domestic mutual insurers authorized to transact homeowners'
12 insurance or fire and allied lines after September 1, 1989, shall have initial
13 minimum surplus and operating surplus in the amount of five million dollars
14 on or after December 31, 2026, and ten million dollars on or after
15 December 31, 2031.

16 E. Domestic mutual insurers who apply for a certificate of authority on
17 or after September 1, 2022, that includes the lines of homeowners' insurance or
18 fire and allied lines shall have initial minimum surplus and operating surplus
19 in the amount of ten million dollars.

20 * * *

21 §165. Minimum application and surplus requirements

22 * * *

23 ~~B. Insurers already organized and qualified under the laws of this state as of~~
24 ~~July 27, 1966, shall continue to have the same underwriting powers they had as of~~
25 ~~that date, provided all such insurers shall increase the surplus requirements to the~~
26 ~~amounts set out in Subsection A of this Section on or before August 1, 1967.~~
27 Domestic reciprocal insurers authorized to transact homeowners' insurance or
28 fire and allied lines after August 1, 1967, shall have initial minimum surplus in
29 the amount of five million dollars on or after December 31, 2026, and ten
30 million dollars on or after December 31, 2031.

1 C. Domestic reciprocal insurers who apply for a certificate of authority
2 on or after September 1, 2022, that includes the lines of homeowners' insurance
3 or fire and allied lines shall have initial minimum surplus in the amount of ten
4 million dollars.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____