

the disclosure form-guide, provided it reflects the date of the mailing and the policyholder.

B. **Electronic Delivery.** If the disclosure form-guide is sent to a policyholder via email, the email delivery receipt or, if none, a copy of the as-sent email, shall be sufficient evidence to establish delivery of the disclosure form-guide, provided the delivery receipt or email reflects the date of the electronic mailing and the policyholder.

C. **Hand-Delivery.** If the disclosure form-guide is hand-delivered to a policyholder, the representative of the insurer perfecting delivery must complete and sign a Certificate of Hand-Delivery, verifying pertinent details related to the delivery of the disclosure form-guide, including the date and location of the delivery, the name of the person accepting the delivery, and the name of the policyholder. Appendix A sets forth the Certificate of Hand-Delivery form insurers must use when opting to hand-deliver the disclosure form-guide to a policyholder.

**AUTHORITY NOTE:** Promulgated in accordance with R.S. 22:2, 22:11, 22:1897, and the Administrative Procedure Act, R.S. 49:950, et seq.

**HISTORICAL NOTE:** Promulgated by the Department of Insurance, Office of the Commissioner, LR 49:494 (March 2023).

**§19115. Severability Clause**

A. The provisions of this Subpart are severable. If any provision or item of this Subpart, or application thereof, is held invalid, such invalidity shall not affect other provisions, items, or applications of this Subpart, which are to be given effect without the invalid provision, item, or application of the Subpart.

**AUTHORITY NOTE:** Promulgated in accordance with R.S. 22:2, 22:11, 22:1897, and the Administrative Procedure Act, R.S. 49:950, et seq.

**HISTORICAL NOTE:** Promulgated by the Department of Insurance, Office of the Commissioner, LR 49:494 (March 2023).

**§19117. Effective Date**

A. Regulation 124 shall become effective upon publication.

**AUTHORITY NOTE:** Promulgated in accordance with R.S. 22:2, 22:11, 22:1897, and the Administrative Procedure Act, R.S. 49:950, et seq.

**HISTORICAL NOTE:** Promulgated by the Department of Insurance, Office of the Commissioner, LR 49:494 (March 2023).

**§19119. Appendix A—Certificate Of Hand-Delivery**

**CATASTROPHE CLAIMS PROCESS DISCLOSURE FORM-GUIDE**

I hereby certify, under penalty of perjury, that on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, I appeared at:

(Physical address): \_\_\_\_\_

\_\_\_\_\_,

and personally hand-delivered a true and complete copy of the Catastrophe Claims Process Disclosure Form-Guide to:

(Name of recipient): \_\_\_\_\_

Delivery of this disclosure form-guide was made in connection with the following policy of insurance:

(Policy number): \_\_\_\_\_

(Policyholder): \_\_\_\_\_

(Printed Name): \_\_\_\_\_

(Signature): \_\_\_\_\_

(Date signed): \_\_\_\_\_

**AUTHORITY NOTE:** Promulgated in accordance with R.S. 22:2, 22:11, 22:1897, and the Administrative Procedure Act, R.S. 49:950, et seq.

**HISTORICAL NOTE:** Promulgated by the Department of Insurance, Office of the Commissioner, LR 49:494 (March 2023).

**Chapter 193. Regulation Number 128—Louisiana Timber and Agriculture Transportation Group Self-Insurance Funds**

**§19301. Definitions**

A. When used in this regulation, the following words or terms shall have the following meaning.

*Contingent Liability*—the amount that a group self-insurance fund may be obligated to pay in excess of a given fund year’s normal premium collected or on hand.

*Department*—the Louisiana Department of Insurance.

*Group Self-Insurance Fund or Fund*—employers who enter into agreements to pool their automobile liabilities for timber transportation vehicles, agriculture transportation vehicles, or a combination of both types of vehicles in accordance with Louisiana Revised Statutes 3:4351.2.

*Members Distribution Payable/Surplus*—assets of a group self-insurance fund in excess of loss reserves, actual and contingent liabilities and loss development reserves in all fund years.

*Surplus*—assets of a group self-insurance fund in excess of loss reserves, actual and contingent liabilities and loss development reserves in all fund years.

**AUTHORITY NOTE:** Promulgated in accordance with R.S. 3:4351.9(D).

**HISTORICAL NOTE:** Promulgated by the Department of Insurance, Office of the Commissioner, LR 49:1411 (August 2023).

**§19303. Excess Insurance or Reinsurance**

A. All funds shall maintain specific excess insurance or reinsurance in the amount of at least \$2,000,000 per occurrence and aggregate excess insurance or reinsurance of at least \$2,000,000.

B. The maximum retention allowed for a fund's specific excess policy shall be approved by the department.

1. A fund shall submit a feasibility study prepared by a qualified actuary which analyzes the impact the specific retention on the fund.

2. No fund shall secure a retention which in the commissioner's opinion is not actuarially sound.

3. The commissioner shall deny the use of a retention if he finds that the higher retention will have a significant adverse effect on the financial condition of the fund.

C. The fund shall secure an aggregate limit of at least 20 percent of the annual premium of the fund for the term of the policy. The retention of the aggregate policy shall be subject to the approval of the commissioner.

AUTHORITY NOTE: Promulgated in accordance with R.S. 3:4351.3.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 49:1411 (August 2023).

### **§19305. Financial and Actuarial Reports**

A. At inception, each fund shall either:

1. Provide evidence satisfactory to the commissioner that it possesses surplus in excess of \$1,000,000, or

2. Submit a current audited financial statement, audited by an independent certified public accountant, of at least two members showing, at the inception of the fund, a combined net worth of a minimum of \$1,000,000, current financial statements of all other members, a combined ratio of current assets to current liabilities of more than one to one, a combined working capital of an amount establishing financial strength and liquidity of the members to pay normal compensation claims promptly, and showing evidence of the financial ability of the group to meet its obligations. An audited or a financial statement properly certified by an officer, owner, or partner for all members joining the fund after the inception date shall be submitted to the commissioner until such time as an audited financial statement is available for the fund as a whole. Thereafter, the filing of member financial statements with the department is no longer required. In no event shall the cumulative net worth or ratio of the current assets to current liabilities of all members be less than that required in this Subsection.

B. An annual financial statement audited by an independent certified public accountant shall be due annually within six months of the close of the fiscal year of the fund, unless an extension is granted by the commissioner.

C. Actuarial reviews shall be made by a qualified actuary. Actuarial reports shall be due and filed at the same time as the fund's annual financial statement, except as otherwise provided by the commissioner.

AUTHORITY NOTE: Promulgated in accordance with R.S. 3:4351.3.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 49:1411 (August 2023).

### **§19307. Insolvencies**

A. Pursuant to R.S. 3:4351.9(D)(1), a fund subject to delinquency proceedings shall be governed by the applicable provisions of R.S. 22:731, et seq., pertaining to administrative supervisions, or the applicable provisions of

R. S. 22:2001, et seq., pertaining to receivership, that are not inconsistent with the provisions of R. S. 3:4351.1, et seq.

AUTHORITY NOTE: Promulgated in accordance with R.S. 3:4351.9.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 49:1412 (August 2023).

### **§19309. Cease and Desist Orders and Other Penalties**

A.1. After notice and opportunity for a hearing, the commissioner may issue an order requiring a person or group to cease and desist from engaging in an act or practice found to be not in compliance with R.S. 3:4351, et seq. or with any rule promulgated by the department pursuant to the Administrative Procedure Act or order or directive issued by the department. Any cease and desist order issued under this Section may include a prohibition against the fund writing any new or renewal business.

2. After notice and opportunity for a hearing, the commissioner may suspend or revoke the certificate of authority of the fund found to be not in compliance with R.S. 3:4351, et seq. or with any rule promulgated by the department pursuant to the Administrative Procedure Act or order or directive issued by the department.

B. Upon the determination that a fund failed to comply with any provision of R.S. 3:4351 et seq., any rule or regulation promulgated by the department, or orders or directives issued by the commissioner, the department may levy a fine of up to \$2,000 for each violation.

AUTHORITY NOTE: Promulgated in accordance with R.S. 3:4351.5.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 49:1409 (August 2023).

### **§19311. Examinations**

A. The commissioner shall examine, not less frequently than once every five years, and at any other time when an examination is necessary in the opinion of the commissioner, all group self-insurance funds established pursuant to R.S. 3:4351 et seq. The reasonable expenses of such examinations shall be paid by the fund being examined.

AUTHORITY NOTE: Promulgated in accordance with R.S. 3:4351.5.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 49:1412 (August 2023).

## **Chapter 195. Regulation 127—The Hurricane Property Insurance Claim Alternate Dispute Resolution Program**

### **§19501. Authority**

A. Regulation 127 is promulgated on behalf of the Department of Insurance by the Commissioner of Insurance pursuant to the authority granted under the Louisiana Insurance Code, R.S. 22:11, and as specifically instructed in accordance with R.S. 22:2657.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:2, 22:11, 22:2651, et seq., and the Administrative Procedure Act, R.S. 49:950, et seq.