

c. documentation reflecting that person is duly authorized to transact bail enforcement by the state where the bond was written.

**AUTHORITYNOTE:** Promulgated in accordance with R.S. 22:11, 22:13, 22:822, 22:1211, 22:1441, 22:1443, 22:1543, 22:1547, and 22:1556.

**HISTORICALNOTE:** Promulgated by the Department of Insurance, Commissioner of Insurance, LR 25:707 (April 1999), amended LR 47:1327 (September 2021).

#### **§4911. In State Bail Enforcement Procedure and Notification Requirement**

A. In order to engage in bail enforcement, the following shall be done.

1. Before conducting a bail enforcement, the bail bond producer shall notify local law enforcement in the parish or city where the principal is sought unless exigent circumstances exist.

2. The bail bond producer shall be required to wear identifying clothing while conducting bail enforcement in a private residence.

**AUTHORITYNOTE:** Promulgated in accordance with R.S. 22:11, 22:13, 22:822, 22:1211, 22:1441, 22:1443, 22:1543, 22:1547, and 22:1556.

**HISTORICALNOTE:** Promulgated by the Department of Insurance, Commissioner of Insurance, LR 25:707 (April 1999), amended LR 47:1327 (September 2021).

#### **§4913. Prohibited Acts**

A. No licensed bail bond producer shall improperly withhold, misappropriate, fail to timely remit premiums and reports of bonds written, or convert to one's own use any monies belonging to principals, sureties and underwriters, or others possessed in the course of the business of insurance.

B. No licensed bail bond producer shall perform bail enforcement in pursuit of any principal released on bail for nonpayment of premium. The surrender of a principal in violation of this subsection shall entitle the principal to the return of any premium paid.

C. No licensed bail bond producer shall remove or have removed any bail bond power of attorney from the clerk of court or sheriff.

D. No licensed bail bond producer shall transact or engage in bail enforcement with the assistance of an unlicensed person.

E. Commercial sureties will need to comply with the requirements of R.S. 22:1441.

**AUTHORITYNOTE:** Promulgated in accordance with R.S. 22:11, 22:13, 22:822, 22:1211, 22:1441, 22:1443, 22:1543, 22:1547, and 22:1556.

**HISTORICALNOTE:** Promulgated by the Department of Insurance, Commissioner of Insurance, LR 25:708 (April 1999), amended LR 47:1327 (September 2021).

#### **§4915. Enforcement of Regulation**

A. The commissioner is vested with the authority to enforce this regulation. The department may conduct investigations or request other state, parish or local officials

to conduct investigations.

B.1. Violations of this Section are governed by Part I of Chapter 5 (Producers) and Part IV of Chapter 7 (Unfair Trade Practices) of the Louisiana Insurance Code.

2. The commissioner shall impose penalties, sanctions or fines as delineated in Part I of Chapter 5 and Part IV of Chapter 7 of the Louisiana Insurance Code.

C. The commissioner may promulgate such rules and regulations as may be deemed necessary for the enforcement of this regulation. The department shall impose penalties, sanctions or fines as delineated in the Louisiana Insurance Code and collect such fines as necessary for the enforcement of such rules and regulations.

**AUTHORITYNOTE:** Promulgated in accordance with R.S. 22:11, 22:13, 22:822, 22:1211, 22:1441, 22:1443, 22:1543, 22:1547, and 22:1556.

**HISTORICALNOTE:** Promulgated by the Department of Insurance, Commissioner of Insurance, LR 25:708 (April 1999), amended LR 47:1327 (September 2021).

#### **§4917. Effective Date**

A. This regulation shall become effective on final publication in the *Louisiana Register*.

**AUTHORITYNOTE:** Promulgated in accordance with R.S. 22:11, 22:13, 22:822, 22:1211, 22:1441, 22:1443, 22:1543, 22:1547, and 22:1556.

**HISTORICALNOTE:** Promulgated by the Department of Insurance, Commissioner of Insurance, LR 25:708 (April 1999), amended LR 47:1328 (September 2021).

## **Chapter 51. Regulation 66—Requirements for Officers, Directors, and Trustees of Domestic Regulated Entities**

#### **§5101. Authority**

A. Regulation 66 is promulgated pursuant to the authority vested in the commissioner under the Louisiana Insurance Code, R.S. 22:1 et seq.

**AUTHORITYNOTE:** Promulgated in accordance with R.S. 22:11, 258, 372, 392, 467, 1772, 1804, 1922, and 2198, R.S. 23:1200.1, and R.S. 33:1348 and 1358.

**HISTORICALNOTE:** Promulgated by the Department of Insurance, Office of the Commissioner, LR 40:795 (April 2014).

#### **§5103. Purpose**

**[Formerly §5101]**

A. The purpose of Regulation 66 is to require that officers, directors and trustees of domestic regulated entities, as herein defined, file biographical and other applicable, relevant, and appropriate information with the commissioner for review and approval. The purpose of this review and approval is to determine and ensure that a domestic regulated entity continues to meet minimum standards with regard to its officers, directors, and trustees.

**AUTHORITYNOTE:** Promulgated in accordance with R.S. 22:11, 258, 372, 392, 467, 1772, 1804, 1922, and 2198, R.S. 23:1200.1, and R.S. 33:1348 and 1358.

**HISTORICALNOTE:** Promulgated by the Department of

Insurance, Office of the Commissioner, LR 25:78 (January 1999), amended LR 40:795 (April 2014).

**§5105. Scope and Applicability**  
**[Formerly §5113]**

A. Regulation 66, as amended, shall apply to all individuals serving as an officer, director, or trustee of a domestic regulated entity and to all individuals nominated or otherwise suggested for such positions.

AUTHORITYNOTE: Promulgated in accordance with R.S. 22:11, 258, 372, 392, 467, 1772, 1804, 1922, and 2198, R.S. 23:1200.1, and R.S. 33:1348 and 1358.

HISTORICALNOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 25:79 (January 1999), amended LR 40:795 (April 2014).

**§5107. Definitions**  
**[Formerly §5103]**

A. For the purpose of Regulation 66, the following definitions shall be applicable.

*Director*—person(s) designated in the articles of incorporation, by-laws, or other organizational documents as such, and person(s) designated, elected, or appointed by any other name or title to act as *director*(s), and their successor(s).

*Domestic Regulated Entity*—any Louisiana domiciled entity which is required to obtain a license or certificate of authority from or register with the commissioner. This definition shall include, but is not limited to, all *domestic regulated entities* such as stock and mutual insurers, domestic captive insurers, mutual holding companies, non-profit funeral service associations, domestic service insurers, reciprocal insurers, Lloyd's plans, fraternal benefit societies, viatical settlement providers, viatical settlement investment agents, viatical settlement brokers, vehicle mechanical breakdown insurers, property residual value insurers, health maintenance organizations, risk indemnification trusts, third party administrators, interlocal risk management agencies, or any plan of self-insurance providing health and accident or workers compensation coverage to employees of two or more employers. This term shall not include motor vehicle rental insurers, insurance agencies, brokers, managing general agents, producers, reinsurance intermediary brokers, claims adjusters, public adjusters, or insurance producers acting as viatical settlement brokers pursuant to R.S. 22:1792(A)(1).

*Officer*—a president, vice-president, treasurer, secretary, controller, actuary, partner, and any other person who performs for the domestic regulated entity a part of the substantive functions corresponding to those performed by the foregoing *officers*. *Officer* shall also include the administrator of a plan of self-insurance providing health and accident or workers' compensation coverage to employees of two or more employers or a risk indemnification trust.

*Trustee*—the *trustee* of a trust, which provides health and accident or workers' compensation coverage to employees of two or more employers or of a risk

indemnification trust.

AUTHORITYNOTE: Promulgated in accordance with R.S. 22:11, 258, 372, 392, 467, 1772, 1804, 1922, and 2198, R.S. 23:1200.1, and R.S. 33:1348 and 1358.

HISTORICALNOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 25:78 (January 1999), amended LR 40:795 (April 2014).

**§5109. Review of Officers, Directors and Trustees by Commissioner Required**  
**[Formerly §5105]**

A. No person shall serve as an officer, director, or trustee of a domestic regulated entity who has not first submitted the information required by §5111 to the commissioner or to whom, after review of the information required by §5111, the commissioner has refused to issue a letter of no objection.

B. No domestic regulated entity may elect, appoint or otherwise accept as an officer, director, or trustee any individual who has failed to submit the information required by §5111 to the commissioner or to whom, after review of the information required by §5111, the commissioner has refused to issue a letter of no objection.

AUTHORITYNOTE: Promulgated in accordance with R.S. 22:11, 258, 372, 392, 467, 1772, 1804, 1922, and 2198, R.S. 23:1200.1, and R.S. 33:1348 and 1358.

HISTORICALNOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 25:78 (January 1999), amended LR 40:796 (April 2014).

**§5111. Procedure for Requesting Letter of No Objection from Commissioner**  
**[Formerly §5107]**

A. Each person elected, appointed or who otherwise becomes an officer, director or trustee of a domestic regulated entity shall, within 30 days of being elected, appointed, or otherwise chosen, submit to the commissioner a request for a letter of no objection regarding his service in that capacity. The request shall be made by the domestic regulated entity, in writing, in a form approved by the commissioner.

B. Each request for a letter of no objection shall include:

1. a biographical affidavit;
2. a third party background verification;
3. fingerprints submitted by card or electronic means;
4. a statement from the domestic regulated entity indicating the position for which the individual has been elected, appointed, or otherwise chosen;
5. a sworn statement from the individual confirming that he has no conflict of interest which would interfere with his service in the position or confirmation from the domestic regulated entity that the individual has disclosed any conflicts to that entity and that the entity has waived any such conflicts; and
6. a true copy of an acceptance of trust, an oath of office, or other such document signed by the individual. The

form of these documents shall include a sworn statement that the individual agrees to abide by and direct the activities of the domestic regulated entity in compliance with all applicable provisions of the statutory and regulatory laws of Louisiana.

C. The commissioner may request additional information to determine the competence, experience, and integrity of the individual and to ensure that the individual will not jeopardize the policyholders, members of the domestic regulated entity, or of the public.

D. The fingerprint card and any criminal background information obtained pursuant to Regulation 66 shall be maintained by the fraud section of the department as confidential and shall not be subject to public disclosure pursuant to R.S. 22:1929.

AUTHORITYNOTE: Promulgated in accordance with R.S. 22:11, 258, 372, 392, 467, 1772, 1804, 1922, and 2198, R.S. 23:1200.1, and R.S. 33:1348 and 1358.

HISTORICALNOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 25:79 (January 1999), amended LR 40:796 (April 2014).

#### **§5113. Conditions for Refusal of Letter of No Objection [Formerly §5109]**

A. The commissioner may refuse to issue a letter of no objection if he finds:

1. the competence, experience, and integrity of the individual are such that it would not be in the best interest of policyholders, members or clients of the domestic regulated entity, or of the public to allow the person to serve in the proposed position;

2. the individual has been convicted of, has pled guilty or *nolo contendere* to, or has participated in a pretrial diversion program pursuant to any charge of any felony or misdemeanor involving moral turpitude, public corruption, or a felony involving dishonesty or breach of trust;

3. the individual knowingly makes a materially false statement or omission of material information in the request for a letter of no objection;

4. any other reason now or hereinafter as applicable statutes and regulations may provide.

AUTHORITYNOTE: Promulgated in accordance with R.S. 22:11, 258, 372, 392, 467, 1772, 1804, 1922, and 2198, R.S. 23:1200.1, and R.S. 33:1348 and 1358.

HISTORICALNOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 25:79 (January 1999), amended LR 40:796 (April 2014).

#### **§5115. Waiver of Submission of Biographical and Other Applicable, Relevant, and Appropriate Information [Formerly §5111]**

A. The commissioner may waive the requirement that an individual submit a biographical affidavit, third party background verification, and fingerprint card under the following conditions:

1. the individual has served as an officer, director, or

trustee of a domestic regulated entity for a period of five consecutive years; or

2. the individual has received a letter of no objection from the commissioner within one year of being elected, appointed, or otherwise chosen as an officer, director, or trustee, and the individual has attested to the fact that no material change has occurred in the biographical and other applicable, relevant, and appropriate information submitted in support of that request.

B. Individuals who qualify for a waiver of the submission of the biographical and other applicable, relevant, and appropriate information must submit a true copy of the conflict of interest statement required by §5111.B.5, and the acceptance of trust, oath of office, or other such document signed by the individual, witnessed, and notarized, as required by §5111.B.6.

AUTHORITYNOTE: Promulgated in accordance with R.S. 22:11, 258, 372, 392, 467, 1772, 1804, 1922, and 2198, R.S. 23:1200.1, and R.S. 33:1348 and 1358.

HISTORICALNOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 25:79 (January 1999), amended LR 40:796 (April 2014).

#### **§5117. Rescission of Letter of No Objection**

A. The commissioner may rescind a letter of no objection if he finds that the individual submitted materially false information or omitted any material information in association with the request for a letter of no objection, or if subsequent events occur that cause the commissioner to question the competence, experience, and integrity of the individual, or if the individual has been convicted of, has pled guilty or *nolo contendere* to, or has participated in a pretrial diversion program pursuant to any charge of any felony or misdemeanor involving moral turpitude, public corruption, or a felony involving dishonesty or breach of trust.

AUTHORITYNOTE: Promulgated in accordance with R.S. 22:11, 258, 372, 392, 467, 1772, 1804, 1922, and 2198, R.S. 23:1200.1, and R.S. 33:1348 and 1358.

HISTORICALNOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 40:797 (April 2014).

#### **§5119. Effective Date**

A. Regulation 66, as amended, shall become effective on April 20, 2014.

AUTHORITYNOTE: Promulgated in accordance with R.S. 22:11, 258, 372, 392, 467, 1772, 1804, 1922, and 2198, R.S. 23:1200.1, and R.S. 33:1348 and 1358.

HISTORICALNOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 40:797 (April 2014).

## **Chapter 53. Regulation 62—Managed Care Contracting Requirements**

### **§5301. Purpose**

A. The purpose of this regulation is to establish the reasonable authority and obligation of managed care organizations related to provider contracts under Acts 1485 and 897 of the 1997 Regular Session of the Louisiana