

Regular Session, 2012

HOUSE BILL NO. 359

BY REPRESENTATIVE PIERRE

INSURANCE DEPARTMENT: Provides relative to the section of insurance fraud within the Dept. of Insurance

1 AN ACT

2 To amend and reenact R.S. 22:1921(B) and (C) and to enact R.S. 22:1921(D), relative to the  
3 insurance fraud section of the Department of Insurance; to clarify language relative  
4 to background checks; to provide for certain technical changes; and to provide for  
5 related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 22:1921(B) and (C) are hereby amended and reenacted and R.S.  
8 22:1921(D) is hereby enacted to read as follows:

9 §1921. Purpose and powers

10 \* \* \*

11 B. In the event the applicant is a corporation, partnership, or other legal  
12 entity, the criminal ~~searches~~ background checks shall be limited to those individuals  
13 who are directors, officers, employees, or individuals who own or control at least ten  
14 percent of the entity.

15 C. If the section has reason to believe, whether acting on its own initiative  
16 or as a result of complaints, that a person has engaged in, or is engaging in, an act or  
17 practice that violates this Part or any other provision of the Insurance Code, it may  
18 examine and investigate into the affairs of such person and may administer oaths and  
19 affirmations, serve subpoenas ordering the attendance of witnesses, and collect  
20 evidence.

1           ~~C. D.~~ If during the course of investigation, the Department of Insurance  
2 determines that there may be a violation of any criminal law, the investigation shall  
3 then be turned over to the Louisiana Department of Justice, the Department of Public  
4 Safety and Corrections, public safety services, office of state police, and other  
5 appropriate law enforcement ~~and/or~~ or prosecutorial agency, for further  
6 investigation, enforcement, or prosecution.

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#### DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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Pierre

HB No. 359

**Abstract:** Clarifies language related to criminal background checks. Makes technical changes.

Present law provides that criminal searches may be performed on individuals who are directors, officers, or employees of corporations, partnerships, or other legal entities that apply for a license or certificate of authority to transact a business of insurance.

Proposed law clarifies the term "criminal search" used in present law by changing it to "criminal background checks". Makes technical changes; otherwise retains present law.

(Amends R.S. 22:1921(B) and (C); Adds R.S. 22:1921(D))