

6. The Annual and Quarterly Statement Instructions, Fraternal, 2022 edition;

7. The Annual and Quarterly Statement Blanks, Property and Casualty, 2022 edition;

8. The Annual and Quarterly Statement Blanks, Life, Accident, and Health, 2022 edition;

9. The Annual and Quarterly Statement Blanks, Health, 2022 edition;

10. The Annual and Quarterly Statement Blanks, Title, 2022 edition;

11. The Annual and Quarterly Statement Blanks, Fraternal, 2022 edition;

12. The Accounting Practices and Procedures Manual, 2022 edition;

13. The Financial Analysis Handbook, 2022 edition;

14. The Own Risk and Solvency Assessment Guidance Manual, 2022 edition;

15. The Purposes and Procedures Manual of the NAIC Investment Analysis Office, 2022 edition;

16. The Risk-Based Capital Forecasting and Instructions, 2022 edition;

17. The Market Regulation Handbook, 2022 edition.

C. - D.3. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11, 258, 619(B), 640(B), 675, 661(A), 691.11, 691.54, and 1804.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Commissioner of Insurance, LR 45:1208 (September 2019), amended LR 46:993 (July 2020), amended LR 47:1328 (September 2021), LR 48:2299 (September 2022), amended LR 49:1410 (August 2023).

James J. Donelon
Commissioner

2308#007

RULE

Department of Insurance Office of the Commissioner

Regulation 128—Louisiana Timber and Agriculture Transportation Group Self-Insurance Funds (LAC 37:XIII.Chapter 193)

In accordance with R.S. 49:950 et seq., the Administrative Procedure Act, and through the authority granted under R.S. 22:1 et seq., and specifically R.S. 22:11, the Department of Insurance has promulgated *Regulation 128—Louisiana Timber and Agriculture Transportation Group Self-Insurance Funds*. The Department of Insurance has promulgated *Regulation 128* to comply with Acts 2022, No. 598, § 1, of the Regular Session of the Louisiana Legislature, that enacted R.S. 3:4351.1 through 4351.16, authorizing the creation of the timber and agriculture transportation group self-insurance fund and giving the Department of Insurance regulatory authority over such fund. This Rule is hereby adopted on the day of promulgation.

Title 37 INSURANCE

Part XIII. Regulations

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).

James J. Donelon
Commissioner

2308#008

RULE

Department of Public Safety and Corrections Office of Motor Vehicles

Odometer Disclosure (LAC 55:III.398)

Under the authority of R.S. 32:704, and in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq., the Office of Motor Vehicles has adopted Section 398, Odometer Disclosure, to provide that the special secure power of attorney shall not require notarization if ownership of the non-exempt motor vehicle is being transferred using a special power of attorney. This Rule becomes effective upon the promulgation of the Rule in the *Louisiana Register*. This Rule is hereby adopted on the day of promulgation.

Title 55

PUBLIC SAFETY

Part III. Motor Vehicles

Chapter 3. License Plates and Removal of Plates, Registrations, and Title Transactions

Subchapter D. Title Transactions

§398. Odometer Disclosure

A. The Federal Truth in Mileage Act requires the seller of a motor vehicle to provide an odometer disclosure to the buyer at the time of sale or transfer of ownership. A completed odometer disclosure must be provided for all non-exempt vehicles at the time of application for title.

1. Beginning January 1, 2021, vehicles of model year 2011 and newer will be subject to odometer disclosure for 20 years.

B. Vehicles exempt from odometer requirements include:

1. vehicles having a gross weight rating of more than 16,000 pounds;

2. vehicles that are not self-propelled (i.e. trailers);

3. a vehicle with a model year of 2010 or before, that is transferred at least 10 years after January 1 of the calendar year corresponding to its designated model year.

C. Transfer of ownership when the certificate of title is in the possession of a lienholder, lost or otherwise unavailable. The same person may not sign a disclosure statement as both the transferor and the transferee in the