AN ACT

To amend and reenact R.S. 22:35(A), relative to discrimination in insurance rating; to prohibit the use of postal zip codes for rate determinations; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 22:35(A) is hereby amended and reenacted to read as follows:

§35. Discrimination; failure to provide coverage; prohibited rating; penalties; right of action

A(1) No insurer shall refuse to issue or fail to renew any policy or contract of property and casualty insurance to a person or business, solely because of the race of the applicant or the economic condition of the area in which the property sought to be insured is located, unless the refusal to issue or failure to renew is based on sound actuarial principles or is related to actual experience.

(2) No insurer shall refuse to issue or renew, increase the premium, or cancel a policy based solely upon the use of a single United States Postal Service ZIP Code or a combination of ZIP Codes by an insurer as a rating territory.

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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)]

HB 636 Reengrossed 2018 Regular Session Hunter

Abstract: Prohibits an insurer from making policy decisions based solely upon the use of a single U.S. Postal Service ZIP Code or a combination of ZIP Codes by an insurer as a rating territory.

Present law prohibits an insurer from refusing to issue or failing to renew any policy or contract of property and casualty insurance to a person or business, solely because of the race of the applicant or the economic condition of the area in which the property sought to be insured is located, unless the refusal to issue or failure to renew is based on sound actuarial principles or is related to actual experience.

Proposed law retains present law and further prohibits an insurer from refusing to issue or renew, increasing the premium, or cancelling a policy based solely upon the use of a single U.S. Postal Service ZIP Code or a combination of ZIP Codes by an insurer as a rating territory.

(Amends R.S. 22:35(A))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Insurance to the original bill:

1. Limit the prohibition to actions based solely on the use of zip codes.

The House Floor Amendments to the engrossed bill:

1. Make technical changes.

CODING: Words in struck through type are deletions from existing law; words underscored are additions.