

Regular Session, 2009

SENATE BILL NO. 193

BY SENATOR LONG

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

INSURANCE PREMIUMS. Allocates excess money from the Insure Louisiana Incentive Program Fund to a program of homeowners' insurance premium assistance. (8/15/09)

1 AN ACT

2 To amend and reenact R.S. 22:2372 and R.S. 44:4.1(B)(10), relative to the Insure Louisiana

3 Incentive Program; to provide for use of unused monies in the program to assist

4 individuals with homeowners' insurance premiums and to accelerate payoff of the

5 Unfunded Accrued Liability of the state retirement systems; to provide for

6 definitions; to provide for determination of eligibility and level of assistance; to

7 provide for confidentiality; to provide for disbursements by the Department of

8 Revenue; to provide for peremption of claims; to provide for coordination of the

9 program by the office of consumer advocacy in the Department of Insurance; to

10 authorize the commissioner to promulgate rules and regulations to implement the

11 program; and to provide for related matters.

12 Be it enacted by the Legislature of Louisiana:

13 Section 1. R.S. 22:2372 is hereby amended and reenacted to read as follows:

14 §2372. Homeowner policy premium assistance program; eligibility

15 **A. As used in this Section, the following terms shall mean:**

16 **(1) "Homeowners' insurance" shall mean a policy of insurance on a one-**

17 **or two-family owner occupied premises. The term homeowners' insurance shall**

1 also include all mobile home policies, debit fire insurance policies and  
2 condominium policies. The term homeowners' insurance shall not include  
3 renters' policies.

4 (2) "Insurers" shall mean both authorized insurers and approved  
5 unauthorized insurers to the extent such insurers write the homeowners  
6 insurance policies as defined above.

7 ~~A. B.~~ The homeowner policy premium assistance program is hereby created  
8 for individuals who paid a homeowner insurance policy premium during the previous  
9 twelve calendar months for a homeowner insurance policy in effect on June 30,  
10 2009. The homeowner policy premium assistance program shall provide each  
11 homeowner with assistance toward payment of ~~the~~ their homeowner's insurance  
12 premium due on the homeowner's residence in the form of a check issued by the  
13 Department of Revenue. The amount of assistance to policyholders under this  
14 Section shall ~~equal the pro rata share of funds available~~ be determined by dividing  
15 the principal amount of funds available by the total number of eligible statewide  
16 policyholders as provided in Subsection C of this Section.

17 C. The commissioner may be authorize to obtain from all insurers  
18 writing homeowners' insurance in the state of Louisiana the necessary  
19 documents or information for determining policyholders entitled to receive  
20 assistance under the homeowner policy premium assistance program and for  
21 determining the pro rata amount of funds to be distributed to each policyholder.  
22 All insurers shall submit to the commissioner within ninety days of his written  
23 request the documentation or information required to comply with the  
24 provisions of this Section which shall be in an electronic format to be  
25 established by the commissioner.

26 D. Any documentation or information furnished by an insurer to the  
27 commissioner and subsequently provided to the Department of Revenue by the  
28 Department of Insurance, for purposes of this Section, shall be maintained as  
29 confidential, shall not be subject to R.S. 44:1 et seq., and shall not be subject to

1            **subpoena.**

2            **E. The list of policyholders entitled to assistance under the homeowner**  
3            **policy premium assistance program and the pro rata amount to be distributed**  
4            **to each policyholder shall be delivered by the commissioner to the Department**  
5            **of Revenue in an electronic format to be established by the commissioner. In**  
6            **order to implement the provisions of this Section, pursuant to an appropriation**  
7            **of the legislature, the Department of Revenue shall from the principal amount**  
8            **in the Insure Louisiana Incentive Program Fund issue checks payable to**  
9            **policyholders entitled to assistance under the homeowner policy premium**  
10           **assistance program. The Department of Revenue or the Department of the**  
11           **Treasury may obtain from the commissioner such additional information as**  
12           **may be necessary to administer the provisions of this Subsection. The insurer**  
13           **providing information in response to this Section may be audited by the**  
14           **commissioner to verify information received on policyholders who qualify for**  
15           **the homeowner policy premium assistance program.**

16           **B: F. (1) The Disbursements under the homeowner policy insurance**  
17           **premium assistance program credit shall continue to be received distributed from**  
18           **the principal amount of** ~~as long as funds are~~ **available in the Insure Louisiana**  
19           **Incentive Program Fund as provided in this Chapter or otherwise appropriated by the**  
20           **legislature.**

21           **(2) Any monies distributed to a policyholder which are returned,**  
22           **unclaimed, or unexpended for any purpose shall be administered by the**  
23           **Department of the Treasury in accordance with the Uniform Unclaimed**  
24           **Property Act of 1997 (R.S. 9:151 et. seq).**

25           **(3) Interest that has accrued and is remaining after the distribution of**  
26           **the principal amount of monies in the Insure Louisiana Incentive Program**  
27           **Fund shall be set aside and used first for payment to policyholders who prove**  
28           **they are entitled to a distribution under the homeowner policy premium**  
29           **assistance program but were omitted from the initial disbursement and shall**

1 thereafter be used towards any administrative costs incurred by the  
2 Department of Revenue to administer the provisions of this Section.

3 (4) Anyone who has not received a distribution under the homeowner  
4 policy premium assistance program and claims to be entitled to a disbursement  
5 shall file a claim with the office of consumer advocacy on or before December  
6 31, 2010, on a form to be prescribed by the commissioner. Any claim not  
7 received in the office of consumer advocacy on or before December 31, 2010  
8 shall be perempted.

9 (5) As of January 1, 2011, any interest earnings remaining in the Insure  
10 Louisiana Incentive Program Fund that are determined by the commissioner  
11 to be unobligated shall, upon written certification of the deputy commissioner  
12 of the office of consumer advocacy to the Department of Revenue, be used by  
13 the Department of the Treasury to accelerate payoff of the Unfunded Accrued  
14 Liability of the state retirement systems.

15 G. Notice of the distribution of funds under this Section shall be sent by  
16 the Department of Revenue to entitled homeowner insurance policyholders.  
17 The notice shall be placed on the check or accompany the check in a form  
18 prescribed by the Department of Revenue designating the distribution as the  
19 "Louisiana Property Insurance Premium Credit."

20 ~~E. H.~~ The deputy commissioner for consumer advocacy shall coordinate and  
21 administer the homeowner policy premium assistance program created pursuant to  
22 the provisions of this Section.

23 I. The commissioner of insurance shall promulgate rules and regulations to  
24 implement the provisions of this Section.

25 ~~D.~~ Rules and regulations promulgated by the commissioner under this  
26 Section shall require that any credit or rebate applicable to a policy list on the  
27 premium statement the amount of the premium reduction due to the assistance credit  
28 provided in this Section and that it be listed on the premium statement as the  
29 Louisiana Property Insurance Premium Credit.

1 \* \* \*

2 Section 2. R.S. 44:4.1(B)(10) is hereby amended and reenacted to read as follows:

3 §4.1. Exceptions

4 \* \* \*

5 B. The legislature further recognizes that there exist exceptions, exemptions,  
6 and limitations to the laws pertaining to public records throughout the revised  
7 statutes and codes of this state. Therefore, the following exceptions, exemptions, and  
8 limitations are hereby continued in effect by incorporation into this Chapter by  
9 citation:

10 \* \* \*

11 (10) R.S. 22:2, 14, 88, 244, 461, 572, 574, 618, 706, 732, 752, 1203, 1460,  
12 1466, 1644, 1656 , 1723, 1929, 1983, 2036, 2303, **2372**.

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The original instrument and the following digest, which constitutes no part  
of the legislative instrument, were prepared by Cheryl Horne.

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DIGEST

Present law creates the homeowner policy premium assistance program for individuals needing assistance with payment of the homeowner's premium due on the homeowner's residence. Establishes the amount of assistance as equal to the pro rata share of funds available.

Proposed law requires the homeowner policy be in effect on June 30, 2009. Establishes payment to the homeowner in the form of a check issued by the Department of Revenue. Requires the amount of assistance to be determined by dividing the principal amount of funds available by the total number of eligible statewide policyholders.

Proposed law provides a definition for "homeowner's insurance" as a policy of insurance on a one-or two-family owner occupied premise as well as mobile home policies, debit fire insurance policies and condominium policies. Excludes renters policies. Defines "insurers" as both authorized insurers and approved unauthorized insurers to the extent such insurers write the homeowner's policies.

Proposed law authorizes the commissioner to obtain from all insurers writing homeowner's insurance in the state the necessary documents or information for determining policyholders entitled to receive assistance as well as the amount of assistance to be distributed. Requires insurers to submit requested documentation within 90 days of the commissioner's written request. Provides that the information obtained be maintained as confidential and not subject to subpoena.

Proposed law requires the list of policyholders entitled to assistance and the pro rata amount to be distributed to each policyholder to be delivered by the commissioner to the Department of Revenue in an electronic format established by the commissioner.

Proposed law requires the Department of Revenue to issue checks payable to policyholders from the principal amount in the Insure Louisiana Incentive Program. Authorizes the Department of Revenue or the Department of the Treasury to obtain from the commissioner such information as may be necessary to administer the program. Authorizes the commissioner to audit the insurer providing information in order to verify information received on policyholders who qualify for assistance.

Proposed law requires that any monies distributed to a policyholder which are returned, unclaimed or unexpended for any purpose be administered by the Department of the Treasury in accordance with the Uniform Unclaimed Property Act. Requires interest that has accrued and is remaining after the distribution to be set aside and used first for payment to policyholders who prove they are entitled to a distribution under the program but were initially omitted and thereafter be used towards any administrative costs incurred by the Department of Revenue to administer the program.

Proposed law requires anyone who has not received a distribution under the program and claims to be entitled to a disbursement to file a claim with the office of consumer advocacy in the Department of Insurance on or before December 31, 2010.

Proposed law requires that any interest earnings in the program as of January 1, 2011 that are determined to be unobligated be used by the Department of the Treasury to accelerate payoff of the Unfunded Accrued Liability of the state retirement systems.

Proposed law requires the Department of Revenue to place a notice to entitled homeowner insurance policyholders either on the check or with the check designating the distribution as the "Louisiana Property Insurance Premium Credit."

Effective August 15, 2009.

(Amends R.S. 22:2372 and R.S. 44:4.1(B)(10))