

ACT No. 427

Regular Session, 2014

HOUSE BILL NO. 909

BY REPRESENTATIVE LEOPOLD

1 AN ACT

2 To amend and reenact R.S. 44:4.1(B)(11) and to enact R.S. 22:1488, relative to disclosures
3 by homeowner's insurers; to require insurers authorized to issue homeowner's
4 policies in Louisiana to provide policy and premium information; to provide for the
5 commissioner of insurance publishing aggregate information on homeowner's
6 policies in force and the direct incurred losses of insurers; to provide for the
7 commissioner of insurance publishing a description of the actuarial model used for
8 homeowner's properties risk and other related data; to provide penalties for
9 noncompliance by insurers; to provide for an exemption from the Public Records
10 Law; and to provide for related matters.

11 Be it enacted by the Legislature of Louisiana:

12 Section 1. R.S. 22:1488 is hereby enacted to read as follows:

13 §1488. Homeowner's insurance clarity; publication of aggregate data; penalties

14 A.(1)(a) Each insurance company authorized to write homeowner's insurance
15 in this state shall annually submit to the commissioner, commencing on or before
16 May 1, 2015, for homeowner's insurance policies, the total amount of direct paid
17 losses reported by peril less all deductibles, the number of policies written, and the
18 direct written premiums for the prior calendar year. The insurance company shall
19 report the computations to the commissioner by zip code and parish. The
20 information received by the commissioner shall be aggregated across all insurance
21 companies collectively, and the aggregated totals shall be arranged by zip code and
22 parish.

23 (b) "Homeowner's insurance" as used in this Section shall include
24 condominium insurance, residential fire insurance, renter's and tenant's insurance,
25 and mobile home and manufactured housing insurance.

1 (c) Creditor-placed homeowner's insurance, condominium association
 2 insurance, and commercial insurance are excluded from the requirements of this
 3 Section.

4 (2) The commissioner shall compile and publish on the Department of
 5 Insurance website by June first annually the aggregated total of the data provided in
 6 Paragraph (1) of this Subsection by zip code and parish for the prior calendar year.

7 (3) Each insurance company authorized to write homeowner's insurance in
 8 this state shall annually submit to the commissioner, commencing on or before May
 9 1, 2015, computations of the direct paid losses by peril, the number of policies
 10 written, and direct written premiums, by zip code and parish, by calendar year for the
 11 prior calendar year, for each of the following perils:

- 12 (a) Fire.
- 13 (b) Wind and hail.
- 14 (c) Catastrophe wind and hail per data call by the commissioner.
- 15 (d) Flood.
- 16 (e) All other perils.

17 (4) The commissioner shall post a link to the data on the Department of
 18 Insurance website in a prominent position on the website's home page.

19 B. The commissioner shall post on the Department of Insurance website a
 20 general description of the ratemaking methodology that the commissioner permits
 21 insurance companies to use in establishing their homeowner's insurance rates.

22 C.(1) Commencing on or before May 1, 2015, each insurance company
 23 authorized to write homeowner's insurance in this state shall provide the information
 24 required pursuant to Subsection A of this Section, commencing with the 2004
 25 calendar year. Voluntary submissions of the information required by Subsection A
 26 of this Section for calendar years prior to 2004 may be submitted and shall be
 27 compiled and posted by the commissioner in the same manner.

28 (2) The commissioner shall compile the aggregated totals for each calendar
 29 year submitted and publish the aggregated totals on the Department of Insurance
 30 website pursuant to Paragraph (A)(2) of this Section.

1 D.(1) Upon written request of an insurance company, the commissioner may
2 modify or extend for an additional time period, for good cause shown, the reporting
3 requirements of this Section. Any modifications or extensions granted by the
4 commissioner shall be noted on the Department of Insurance website, along with a
5 projected date of compliance. Good cause may include but is not limited to either
6 of the following:

7 (a) The insurance company's limited percentage of the total homeowner's
8 insurance market in this state.

9 (b) The undue burden of compiling and reporting computation, data, and
10 other information required by this Section due to the manner, format, or method in
11 which the insurance company has stored the computations, data, or other information
12 required.

13 (2) Any insurance company that fails to timely comply with the reporting
14 requirements of this Section shall be given notice by the commissioner of the failure
15 and provided thirty days to comply. Any insurance company that fails to comply on
16 or before the thirtieth day, unless modified or extended by the commissioner, shall
17 be fined ten thousand dollars per month by the commissioner until the date of
18 compliance. Any funds collected pursuant to this Paragraph shall be deposited into
19 the state general fund. These fines shall not be waived or reduced except by an act
20 of the legislature.

21 (3) The commissioner shall waive or modify the reporting requirements of
22 this Section if an insurance company meets any of the following criteria:

23 (a) Does not store the computations, data, or other information required.

24 (b) Is required to materially upgrade, modify, revise, or reprogram
25 computer systems to provide the computations, data, or other information required.

26 (c) Is required to significantly divert limited resources to provide the
27 computations, data, or other information required.

28 E. Any information reported to the commissioner by an insurer as required
29 by this Section shall be treated as confidential. Use of the information is limited
30 solely to the purposes authorized in this Section, and the information submitted by

1 each insurer pursuant to this Section shall be exempt from the Public Records Law,
2 R.S. 44:1 et seq.

3 F. Each report submitted by an insurance company pursuant to this Section
4 shall include a notarized affidavit executed by an executive of that company attesting
5 to the validity of the data reported.

6 G. The commissioner may issue such rules and regulations as may be
7 necessary or proper to carry out the provisions of this Section. Such rules and
8 regulations shall be promulgated and adopted in accordance with the Administrative
9 Procedure Act, R.S. 49:950 et seq.

10 H. The provisions of this Section shall become void on May 1, 2017.

11 Section 2. R.S. 44:4.1(B)(11) is hereby amended and reenacted to read as follows:

12 §4.1. Exceptions

13 * * *

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

19 * * *

20 (11) R.S. 22:2, 14, 31(B), 42.1, 88, 244, 461, 572, 572.1, 574, 618, 732, 752,
21 753, 771, 1019.2(B)(5)(a), 1203, 1460, 1466, 1488, 1546, 1644, 1656, 1723, 1927,
22 1929, 1983, 1984, 2036, 2303

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____