SLS 24RS-477 ORIGINAL

2024 Regular Session

SENATE BILL NO. 376

BY SENATOR MORRIS

INSURANCE POLICIES. Provides for notice of a premium rate increase. (8/1/24)

AN ACT 1 2 To amend and reenact R.S. 22:1484(A)(1), relative to property, casualty, and liability insurance; to provide an insured or property owner six weeks notice of a premium 3 rate increase; and to provide for related matters. 4 5 Be it enacted by the Legislature of Louisiana: 6 Section 1. R.S. 22:1484(A)(1) is hereby enacted to read as follows: 7 §1484. Property, casualty, and liability insurance; premium increase by insurer 8 without or with material change in circumstances of insured; notice 9 of premium increase 10 A.(1) No insurer shall be entitled to an additional premium for a commercial 11 property, casualty, or liability insurance policy which has been in effect for more than ninety days or for a noncommercial property, casualty, or liability insurance 12 13 policy which has been in effect for more than sixty days when there has been no material change in the circumstances of the insured or property owner from those 14 stated by the insured **or property owner** in his application for the policy. For an 15 insurance company to be entitled to any additional premium, the insured or **property** 16 17 owner must shall receive a billing notice at least six weeks prior to the effective

least six weeks prior to the effective date for the rate increase or a statement at least six weeks prior to the effective date for the rate increase that asks the insured or property owner to contact either the insurance company or its producer if the insured or property owner has any questions about the billing notice or the premium increase, within the first sixty days of the effective date of the policy. If the company or agent fails to bill the insured within the first sixty days of the effective date of the policy, the insured shall not be responsible for payment of such the additional premium, shall not be penalized for nonpayment of that additional premium, and his policy shall not be cancelled for failure to pay such the additional premium.

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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Beth O'Quin.

DIGEST 2024 Regular Session

Morris

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<u>Present law</u> provides an insurer shall not be entitled to additional premiums for commercial and noncommercial property, casualty, and liability policies, unless certain notice requirements have been met.

<u>Proposed law</u> retains <u>present law</u> and adds a requirement that the notices be sent to the insured or a property owner at least six weeks prior to the effective date of the premium rate increase.

Effective August 1, 2024.

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(Amends R.S. 22:1484(A)(1))