

2024 Regular Session

HOUSE BILL NO. 375

BY REPRESENTATIVES MANDIE LANDRY AND CHASSION

INSURERS: Requires disclosure of available discounts relative to homeowners' and motor vehicle liability insurance policies

1 AN ACT

2 To enact R.S. 22:881.1, relative to insurers; to require insurers to disclose discounts with
3 respect to homeowners' and motor vehicle insurance policies; to require means of
4 disclosure; to provide for an effective date; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 22:881.1 is hereby enacted to read as follows:

7 §881.1. Discounts; disclosure requirements; homeowners' and motor vehicle
8 policies

9 Every insurer that writes homeowners' or private passenger motor vehicle
10 insurance policies in this state shall, in writing that is not less than twelve-point font,
11 disclose all discounts the insurer offers that may reduce the homeowners' or motor
12 vehicle insurance premium of a policyholder or prospective policyholder. Insurers
13 shall ensure the disclosure is delivered by electronic means as defined in R.S.
14 22:2461(1)(b) or submit the disclosure within the written materials of a new policy
15 delivered to the policyholder and at each subsequent renewal. For purposes of this
16 Section, "discounts" mean premium credits offered by an insurer to policyholders
17 who meet certain criteria established by the insurer. An insurer's failure to comply
18 with this Section does not create a cause of action.

19 Section 2. This Act shall become effective on January 1, 2025.

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 375 Reengrossed

2024 Regular Session

Mandie Landry

Abstract: Requires insurers to disclose all offered discounts that may reduce premium costs of homeowners' and motor vehicle insurance policies.

Proposed law requires insurers writing homeowners' or private passenger motor vehicle insurance policies in the state of La. to disclose, in writing of not less than 12-point font, all discounts the insurer offers that may reduce the homeowners' or motor vehicle insurance premium of a policyholder or prospective policyholder. Proposed law defines "discounts".

Proposed law requires insurers to electronically disclose discounts on an electronic network or site, as described in present law (R.S. 22:2461(1)(b)), or within the written materials of a new policy delivered to the policyholder and at each subsequent renewal.

Proposed law provides that an insurer's failure to comply with the disclosure requirement in proposed law does not create a cause of action.

Effective Jan. 1, 2025.

(Adds R.S. 22:881.1)

Summary of Amendments Adopted by House

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

1. Specify that the disclosure requirement applies to insurers writing homeowners' or private passenger motor vehicle insurance policies.
2. Provide that an insurer's failure to comply with the disclosure requirement does not create an independent cause of action.
3. Make technical changes.

The House Floor Amendments to the engrossed bill:

1. Define "discounts".
2. Authorize an insurer to disclose discounts electronically or within written materials to the policyholder. Further clarify that an insurer's failure to comply with the disclosure requirement does not create a cause of action.
3. Provide an effective date of Jan. 1, 2025.