SLS 24RS-3721 ORIGINAL

2024 Regular Session

SENATE STUDY REQUEST NO. 2

BY SENATOR BASS

COMMITTEE STUDIES. Requests study of impact of Louisiana's legal environment on the state's insurance market and rates.

1	A STUDY REQUEST
2	To request the Senate Committee on Insurance to study the impact of Louisiana's legal
3	environment on the insurance market and rates.
4	WHEREAS, it is generally recognized that Louisiana is currently experiencing a
5	crisis in both property and casualty insurance and auto insurance in terms of availability and
6	costs of insurance for consumers; and
7	WHEREAS, insurance at its most basic level is a simple economic proposition that
8	a premium is paid for an insurer to take on a risk and then pay out a claim for a future loss
9	if the negative outcome occurs; and
10	WHEREAS, the focus in such an equation is estimating the probability of loss and
11	the size of the claim; and
12	WHEREAS, insurance companies, in deciding whether to enter a market or remain
13	in a market, often rely on statistical analysis of past losses based on specific variables of the
14	insured as one of the factors in that determination; and
15	WHEREAS, while there are many factors that contribute to availability and costs of
16	insurance, there is a general concern that insureds are being encouraged or influenced in
17	ways that are exacerbating the current insurance crisis.
18	THEREFORE, BE IT RESOLVED that the Senate of the Legislature of Louisiana

SLS 24RS-3721 ORIGINAL SSR NO. 2

requests that the Senate Committee on Insurance study the impact of Louisiana's legal environment on the insurance market and rates.

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SSR 2 Original

BE IT FURTHER RESOLVED that a copy of this Study Request shall be transmitted to the commissioner of Insurance and the chief justice of the Louisiana Supreme Court.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Dawn Romero Watson.

DIGEST 2024 Regular Session

Bass

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