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## DIGEST

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HB 576 Original

2025 Regular Session

Robby Carter

**Abstract:** Repeals relative to competitive and noncompetitive markets to generally prohibit excessive, inadequate, or unfairly discriminatory insurance rates as determined by the commissioner of insurance.

Present law provides regulations for rating standards and methods. Provides that "excessive," as the term relates to rates, means a rate that is likely to produce a long-term profit that is unreasonably high for the insurance provided. Prohibits rates in competitive markets from being considered excessive.

Proposed law modifies the definition of "excessive" to remove the portion that prohibits rates in competitive markets from being considered excessive. Otherwise retains present law.

Present law authorizes risk classification based on any criteria except race, color, creed, or national origin. Proposed law retains present law.

Present law prohibits rates that are inadequate or unfairly discriminatory in a competitive market. Prohibits rates that are excessive, inadequate, or unfairly discriminatory in a noncompetitive market.

Proposed law deletes present law to generally prohibit excessive, inadequate, or unfairly discriminatory rates, regardless of the market.

Present law requires the commissioner of insurance (commissioner) to disapprove a rate in a competitive market only if he determines the rate is inadequate or unfairly discriminatory. Proposed law deletes present law.

Present law requires the commissioner to disapprove a rate for use in a noncompetitive market only if he determines the rate is excessive, inadequate, or unfairly discriminatory.

Proposed law deletes present law relative to the noncompetitive market to require the commissioner's disapproval of a rate only if he determines the rate is excessive, inadequate, or unfairly discriminatory. Prohibits the commissioner's disapproval of an actuarially justified rate.

Present law (R.S. 22:1451(D), 1452(C)(4) and (15), 1453, and 1455) provides definitions and regulations for rates in competitive and noncompetitive markets.

Proposed law repeals present law.

(Amends R.S. 22:1452(C)(intro. para.) and (6), 1454(A), and 1465(A)(1); Repeals R.S.22:1451(D), 1452(C)(4) and (15), 1453, and 1455)