
DIGEST

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HB 148 Reengrossed

2025 Regular Session

Wiley

Abstract: Requires insurers to provide prior premium amounts with renewals of certain insurance policies and repeals the distinction between competitive and noncompetitive markets with respect to the regulation of insurance rates.

Proposed law requires insurers renewing homeowners' or private passenger motor vehicle insurance to include the policyholder's premium for the policy last issued by the insurer. Requires insurers to prominently display the prior premium in close proximity to the renewal premium.

Present and proposed law generally provide regulations for rating standards and methods.

Present law defines "excessive." 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. Present law prohibits rates in competitive markets from being considered excessive.

Proposed law deletes present law and changes the definition of "excessive." Redefines the term as a rate that is likely to produce a profit that is unreasonably high for the insurance provided or the expense provision included with the rate is unreasonably high in relation to the services rendered.

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 noncompetitive markets to require the commissioner's disapproval of a rate if he determines the rate is excessive, inadequate, or unfairly discriminatory.

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. 22:881.1, 1452(C)(intro. para.) and (6), 1454(A), and 1465(A)(1) and (4); Repeals R.S. 22:1451(D), 1452(C)(4) and (15), 1453, and 1455)

Summary of Amendments Adopted by House

The House Floor Amendments to the engrossed bill:

1. Repeal present law provisions that distinguish between competitive and noncompetitive insurance markets when regulating rates.
2. Provide for the commissioner's determination of whether rates are excessive, inadequate, or unfairly discriminatory, regardless of market conditions.
3. Redefine "excessive" as the term relates to rates.