

2025 Regular Session

HOUSE STUDY REQUEST NO. 1

BY REPRESENTATIVE JORDAN

BONDS: Provides for a study of the feasibility of establishing a Catastrophe Reinsurance Program which includes the issuance of catastrophe bonds to provide an alternative method for insurance companies to secure reinsurance to cover property damage and casualty losses

1 A STUDY REQUEST

2 To the House Committee on Ways and Means and the House Committee on Insurance to
3 meet and to function as a joint committee to study the feasibility of establishing a
4 Catastrophe Reinsurance Program which includes the issuance of catastrophe bonds
5 to provide an alternative method for insurance companies to secure reinsurance to
6 cover property damage and casualty losses associated with hurricanes and other
7 natural catastrophe losses in Louisiana, and to report the findings of the joint
8 committee to the legislature prior to January 31, 2026.

9 WHEREAS, the House Ways and Means Committee, in hearings during the 2025
10 Regular Session concerning the issuance of catastrophe bonds for the Catastrophe
11 Reinsurance Program, particularly House Bill No. 672 by Representative Jordan, discussed
12 and determined that it was appropriate and necessary for the committee to conduct interim
13 hearings to study the feasibility of establishing a Catastrophe Reinsurance Program which
14 includes the issuance of catastrophe bonds to provide an alternative method for insurance
15 companies to secure reinsurance to cover property damage and casualty losses associated
16 with hurricanes and other natural catastrophe losses in Louisiana; and

17 WHEREAS, Louisiana homeowners are experiencing an insurance crisis as a result
18 of hurricanes and other catastrophic flooding and weather-related events that have recently
19 occurred in this state; and

1 WHEREAS, property insurance rates and premiums have increased for many
2 residents of this state and are becoming unaffordable; and

3 WHEREAS, establishment of a Catastrophe Reinsurance Program could offer an
4 alternative method for insurance companies to secure reinsurance in an effort to bring
5 stability and affordability back to this state's citizens in securing homeowner's insurance by
6 transferring the risk of casualty losses to a wider set of investors and helping insurance
7 companies manage natural catastrophe losses.

8 THEREFORE, the Legislature of Louisiana requests the House Committee on Ways
9 and Means and the House Committee on Insurance to meet and to function as a joint
10 committee to study the feasibility of establishing a Catastrophe Reinsurance Program which
11 includes the issuance of catastrophe bonds to provide an alternative method for insurance
12 companies to secure reinsurance to cover property damage and casualty losses associated
13 with hurricanes and other natural catastrophe losses in Louisiana, and to report the findings
14 of the joint committee to the legislature prior to January 31, 2026.

15 THEREFORE, the Legislature of Louisiana requests the joint committee to consider
16 input from interested parties, including insurance companies, and to review programs that
17 have been adopted in states that have suffered similar property and casualty losses from
18 hurricanes, catastrophic flooding, wildfires, and other weather-related events to address the
19 insurance needs of its citizens.

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)]

HSR 1 Original

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Jordan

Requests the House Committee on Ways and Means and the House Committee on Insurance to meet and to function as a joint committee to study the feasibility of establishing a Catastrophe Reinsurance Program which includes the issuance of catastrophe bonds to provide an alternative method for insurance companies to secure reinsurance to cover property damage and casualty losses associated with hurricanes and other natural catastrophe losses in Louisiana, and to report the findings of the joint committee to the legislature prior to January 31, 2026.