

2026 Regular Session

HOUSE BILL NO. 881

BY REPRESENTATIVE FIRMENT

INSURANCE/HOMEOWNERS: Provides relative to rate filings and claims settlement requirements for homeowners' insurance

1 AN ACT

2 To amend and reenact R.S. 22:1451(E), 1464(A)(3), and 1892(F)(1), relative to homeowners
3 insurance; to provide for certain rating factors; to provide for certain factors
4 contributing to the cost of homeowners insurance; to provide for certain claims
5 settlement practices; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 22:1451(E), 1464(A)(3), and 1892(F)(1) are hereby amended and
8 reenacted to read as follows:

9 §1451. Systems for ratemaking

10 * * *

11 E. ~~Nothing in this~~ This Section shall not be construed to prohibit the
12 commissioner from approving a rate filing prior to the expiration of the notification
13 periods provided for in this Section.

14 * * *

15 §1464. Rate filing

16 * * *

17 A.

18 * * *

19 (3) The commissioner ~~is authorized to~~ may verify statistical data included
20 in any rate filing made pursuant to this Section either by requiring substantiating

1 written documentation or by inspecting records of insurers or rating organizations
2 at the home office or any branch office of the insurer or rating organization.

3 * * *

4 §1892. Payment and adjustment of claims; policies other than life and health and
5 accident; good faith duty; breach of good faith duty; vehicle damage claims;
6 extension of time to respond to claims during emergency or disaster;
7 penalties; arson-related claims suspension; definitions

8 * * *

9 F.(1) In the adjustment or settlement of first-party losses under fire and
10 extended coverage policies, an insurer ~~is required to~~ shall include general
11 contractor's overhead and profit in payments for claims for losses when the services
12 of a general contractor are reasonably foreseeable. This requirement applies to
13 policies that provide for the adjustment and settlement of losses on a replacement
14 cost basis and to policies that provide for the adjustment and settlement of losses on
15 an actual cash value basis.

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 881 Original

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Firment

Abstract: Outlines the procedures for rate filing and the requirements for claims settlement as it relates to homeowners' insurance.

Present law establishes procedures for rate filings in the homeowner's insurance market and requires insurers to follow certain standards when adjusting and settling first-party property claims.

Present law requires the commissioner of insurance to observe notification periods before approving a rate filing, authorizes the commissioner to verify statistical data submitted in a rate filing, and requires insurers to include general contractor overhead and profit in payments for fire and extended coverage losses when the use of a general contractor is reasonably foreseeable.

Proposed law authorizes the commissioner to approve a rate filing before the notification periods expire.

Proposed law clarifies the commissioner's authority to verify statistical data by allowing the commissioner to require written documentation or inspect insurer or rating-organization records at any office location.

Proposed law retains the requirement that insurers include general contractor overhead and profit in first-party fire and extended-coverage claim payments when the use of a general contractor is reasonably foreseeable and specifies that this requirement applies to both replacement cost and actual cash value policies.

(Amends R.S. 22:1451(E), 1464(A)(3), and 1892(F)(1))