

HOUSE COMMITTEE AMENDMENTS

Amendments proposed by House Committee on Insurance to Engrossed Senate Bill No. 19  
by Senator Allain

AMENDMENT NO. 1

On page 2, delete lines 7 through 16 in their entirety and in lieu thereof insert the following:

**"(2) When it is deemed necessary to implement a rate increase in excess of twenty-five percent on wind and hail insurance coverage in any single parish, the Louisiana Citizens Insurance Corporation shall notify the House and Senate committees on insurance, respectively. Upon such notification, the emergency rule making provisions of the Administrative Procedure Act, as set forth by R.S. 49:953(B) and 954(B), shall govern the notice and hearing requirements of any resulting meeting of the committees on insurance, meeting jointly. In the event that a joint meeting of the committees on insurance is called, the chief executive officer and the staff or consulting actuary for the corporation shall provide testimony at the joint meeting which specifies, by parish, the basis and methodology used in determining the proposed rate increase. Upon notice of such meeting, the committees may also request the commissioner of insurance to solicit an independent opinion from the actuary for the Department of Insurance. Such opinion shall provide the actuarially justified rate for the parish in controversy, and shall not be inclusive of the ten percent excess of premium provided for by R.S. 22:2303(A).**

**(a) Within forty-eight hours of the joint committee meeting, the House and Senate committees may vote or the chairmen of both committees may agree to take any of the following actions:**

**(i) Request additional information.**

**(ii) Direct the commissioner to reconsider the amount of the proposed rate increase and the time frame for the implementation of such increase.**

**(iii) Elect to take no action.**

**(b) Upon the request for additional information or direction to the commissioner to reconsider the rate increase, implementation of any increase in rates on wind and hail insurance coverage shall be delayed for an additional thirty days. Upon final determination by the commissioner of the rate increase, the commissioner may elect to implement the rate increase over a period of two to five years.**

**(c) In making his final determination of whether to approve such rate increase in excess of twenty-five percent, the commissioner shall consider the following factors:**

**(i) Information submitted by the chief executive officer and the staff and consulting actuary of the corporation.**

**(ii) The independent opinion of the actuary of the Department of Insurance.**

**(iii) Testimony offered at the joint committee meeting, relative to the basis and methodology used to determine the proposed rate increase and the consequences of such increase."**