Regular Session, 2014

HOUSE BILL NO. 909

1

BY REPRESENTATIVE LEOPOLD

2	To amend and reenact R.S. 44:4.1(B)(11) and to enact R.S. 22:1488, relative to disclosures
3	by homeowner's insurers; to require insurers authorized to issue homeowner's
4	policies in Louisiana to provide policy and premium information; to provide for the
5	commissioner of insurance publishing aggregate information on homeowner's
6	policies in force and the direct incurred losses of insurers; to provide for the
7	commissioner of insurance publishing a description of the actuarial model used for
8	homeowner's properties risk and other related data; to provide penalties for
9	noncompliance by insurers; to provide for an exemption from the Public Records
10	Law; and to provide for related matters.
11	Be it enacted by the Legislature of Louisiana:
12	Section 1. R.S. 22:1488 is hereby enacted to read as follows:
13	§1488. Homeowner's insurance clarity; publication of aggregate data; penalties
14	A.(1)(a) Each insurance company authorized to write homeowner's insurance
15	in this state shall annually submit to the commissioner, commencing on or before
16	May 1, 2015, for homeowner's insurance policies, the total amount of direct paid
17	losses reported by peril less all deductibles, the number of policies written, and the
18	direct written premiums for the prior calendar year. The insurance company shall
19	report the computations to the commissioner by zip code and parish. The
20	information received by the commissioner shall be aggregated across all insurance
21	companies collectively, and the aggregated totals shall be arranged by zip code and
22	parish.
23	(b) "Homeowner's insurance" as used in this Section shall include
24	condominium insurance, residential fire insurance, renter's and tenant's insurance,
25	and mobile home and manufactured housing insurance.

AN ACT

Page 1 of 4

CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

HB NO. 909 **ENROLLED**

1	(c) Creditor-placed homeowner's insurance, condominium association
2	insurance, and commercial insurance are excluded from the requirements of this
3	Section.
4	(2) The commissioner shall compile and publish on the Department of
5	Insurance website by June first annually the aggregated total of the data provided in
6	Paragraph (1) of this Subsection by zip code and parish for the prior calendar year.
7	(3) Each insurance company authorized to write homeowner's insurance in
8	this state shall annually submit to the commissioner, commencing on or before May
9	1, 2015, computations of the direct paid losses by peril, the number of policies
10	written, and direct written premiums, by zip code and parish, by calendar year for the
11	prior calendar year, for each of the following perils:
12	(a) Fire.
13	(b) Wind and hail.
14	(c) Catastrophe wind and hail per data call by the commissioner.
15	(d) Flood.
16	(e) All other perils.
17	(4) The commissioner shall post a link to the data on the Department of
18	Insurance website in a prominent position on the website's home page.
19	B. The commissioner shall post on the Department of Insurance website a
20	general description of the ratemaking methodology that the commissioner permits
21	insurance companies to use in establishing their homeowner's insurance rates.
22	C.(1) Commencing on or before May 1, 2015, each insurance company
23	authorized to write homeowner's insurance in this state shall provide the information
24	required pursuant to Subsection A of this Section, commencing with the 2004
25	calendar year. Voluntary submissions of the information required by Subsection A
26	of this Section for calendar years prior to 2004 may be submitted and shall be
27	compiled and posted by the commissioner in the same manner.
28	(2) The commissioner shall compile the aggregated totals for each calendar
29	year submitted and publish the aggregated totals on the Department of Insurance
30	website pursuant to Paragraph (A)(2) of this Section.

HB NO. 909 ENROLLED

1	D.(1) Upon written request of an insurance company, the commissioner may	
2	modify or extend for an additional time period, for good cause shown, the reporting	
3	requirements of this Section. Any modifications or extensions granted by the	
4	commissioner shall be noted on the Department of Insurance website, along with a	
5	projected date of compliance. Good cause may include but is not limited to either	
6	of the following:	
7	(a) The insurance company's limited percentage of the total homeowner's	
8	insurance market in this state.	
9	(b) The undue burden of compiling and reporting computation, data, and	
10	other information required by this Section due to the manner, format, or method in	
11	which the insurance company has stored the computations, data, or other information	
12	required.	
13	(2) Any insurance company that fails to timely comply with the reporting	
14	requirements of this Section shall be given notice by the commissioner of the failure	
15	and provided thirty days to comply. Any insurance company that fails to comply on	
16	or before the thirtieth day, unless modified or extended by the commissioner, shall	
17	be fined ten thousand dollars per month by the commissioner until the date of	
18	compliance. Any funds collected pursuant to this Paragraph shall be deposited into	
19	the state general fund. These fines shall not be waived or reduced except by an act	
20	of the legislature.	
21	(3) The commissioner shall waive or modify the reporting requirements of	
22	this Section if an insurance company meets any of the following criteria:	
23	(a) Does not store the computations, data, or other information required.	
24	(b) Is required to materially upgrade, modify, redevise, or reprogram	
25	computer systems to provide the computations, data, or other information required.	
26	(c) Is required to significantly divert limited resources to provide the	
27	computations, data, or other information required.	
28	E. Any information reported to the commissioner by an insurer as required	
29	by this Section shall be treated as confidential. Use of the information is limited	
30	solely to the purposes authorized in this Section, and the information submitted by	

HB NO. 909 **ENROLLED** 1 each insurer pursuant to this Section shall be exempt from the Public Records Law, 2 R.S. 44:1 et seq. 3 F. Each report submitted by an insurance company pursuant to this Section 4 shall include a notarized affidavit executed by an executive of that company attesting 5 to the validity of the data reported. 6 G. The commissioner may issue such rules and regulations as may be 7 necessary or proper to carry out the provisions of this Section. Such rules and 8 regulations shall be promulgated and adopted in accordance with the Administrative 9 Procedure Act, R.S. 49:950 et seq. 10 H. The provisions of this Section shall become void on May 1, 2017. 11 Section 2. R.S. 44:4.1(B)(11) is hereby amended and reenacted to read as follows: 12 §4.1. Exceptions 13 14 B. The legislature further recognizes that there exist exceptions, exemptions, 15 and limitations to the laws pertaining to public records throughout the revised statutes and codes of this state. Therefore, the following exceptions, exemptions, and 16 17 limitations are hereby continued in effect by incorporation into this Chapter by 18 citation: 19 20 (11) R.S. <u>22:2</u>, 14, 31(B), 42.1, 88, 244, 461, 572, 572.1, 574, 618, 732, 752, 21 753, 771, 1019.2(B)(5)(a), 1203, 1460, 1466, <u>1488</u>, 1546, 1644, 1656, 1723, 1927, 22 1929, 1983, 1984, 2036, 2303 23 SPEAKER OF THE HOUSE OF REPRESENTATIVES PRESIDENT OF THE SENATE

GOVERNOR	OF THE STAT	E OF LOUISIANA

APPROVED: