

2018 Regular Session

HOUSE BILL NO. 636

BY REPRESENTATIVE HUNTER

INSURANCE: Prohibits the use of zip codes as the sole basis for rate determinations

1 AN ACT

2 To amend and reenact R.S. 22:35(A), relative to discrimination in insurance rating; to  
3 prohibit the use of postal zip codes for rate determinations; and to provide for related  
4 matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 22:35(A) is hereby amended and reenacted to read as follows:

7 §35. Discrimination; failure to provide coverage; prohibited rating; penalties; right  
8 of action

9 A.(1) No insurer shall refuse to issue or fail to renew any policy or contract  
10 of property and casualty insurance to a person or business, solely because of the race  
11 of the applicant or the economic condition of the area in which the property sought  
12 to be insured is located, unless ~~such~~ the refusal to issue or failure to renew is based  
13 on sound actuarial principles or is related to actual experience.

14 (2) No insurer shall refuse to issue or renew, increase the premium, or cancel  
15 a policy based solely upon the use of a single United States Postal Service ZIP Code  
16 or a combination of ZIP Codes by an insurer as a rating territory.

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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)]

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HB 636 Reengrossed

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Hunter

**Abstract:** Prohibits an insurer from making policy decisions based solely upon the use of a single U.S. Postal Service ZIP Code or a combination of ZIP Codes by an insurer as a rating territory.

Present law prohibits an insurer from refusing to issue or failing to renew any policy or contract of property and casualty insurance to a person or business, solely because of the race of the applicant or the economic condition of the area in which the property sought to be insured is located, unless the refusal to issue or failure to renew is based on sound actuarial principles or is related to actual experience.

Proposed law retains present law and further prohibits an insurer from refusing to issue or renew, increasing the premium, or cancelling a policy based solely upon the use of a single U.S. Postal Service ZIP Code or a combination of ZIP Codes by an insurer as a rating territory.

(Amends R.S. 22:35(A))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Insurance to the original bill:

1. Limit the prohibition to actions based solely on the use of zip codes.

The House Floor Amendments to the engrossed bill:

1. Make technical changes.