

SENATE BILL NO. 70

BY SENATOR ABRAHAM

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

1 AN ACT

2 To enact R.S. 22:1267.1, relative to commercial insurance; to provide for definitions; to  
3 provide with respect to commercial property insurance deductibles applied to named  
4 storm, hurricane, and wind and hail deductibles; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 22:1267.1 is hereby enacted to read as follows:

7 **§1267.1. Commercial insurance deductibles applied to named storm, hurricane,**  
8 **and wind and hail deductibles**

9 **A. For purposes of this Section:**

10 **(1) "Hurricane" means a storm system that has been declared a**  
11 **hurricane by the National Hurricane Center of the National Weather Service.**

12 **(2) "Named storm" means a storm system that has been declared a**  
13 **named storm by the National Hurricane Center of the National Weather**  
14 **Service.**

15 **(3) "Separate deductible" means a deductible that applies to direct**  
16 **physical loss or damage resulting from a specified weather event and may be**  
17 **expressed as a percentage of the insured value of the property or as a specific**  
18 **dollar amount and includes hurricane, named storm, and wind and hail**  
19 **deductibles.**

20 **B. For all authorized commercial property insurance policies and**  
21 **authorized commercial multi-peril insurance policies issued or renewed by an**  
22 **authorized insurer on or after August 1, 2021, any separate deductible that**  
23 **applies in place of any other deductible to direct physical loss or damage**  
24 **resulting from a named storm or hurricane shall be applied on an annual basis**  
25 **to all named storm or hurricane losses that are subject to the separate**  
26 **deductible during the calendar year.**

1            C. If an insured suffers direct physical loss or damage resulting from  
 2            more than one named storm or hurricane during a calendar year that is subject  
 3            to the separate deductible provided in Subsection B of this Section, the insurer  
 4            may apply a deductible to any succeeding named storm or hurricane that is  
 5            equal to the remaining amount of the separate deductible or the amount of the  
 6            deductible that applies to all perils other than a named storm or hurricane,  
 7            whichever is greater. Insurers may require commercial policyholders to  
 8            maintain receipts or other records of any losses in order to apply any losses to  
 9            subsequent named storm or hurricane claims.

10           D. If an insured pays a named storm or hurricane deductible for a  
 11           covered loss as provided in this Section, but changes insurance companies  
 12           during the calendar year for the previously claimed property or renews a policy  
 13           which includes a deductible of a different amount, the insured is subject to a  
 14           new named storm or hurricane deductible under the new or renewed insurance  
 15           policy for that same property if the new policy includes such a deductible.

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PRESIDENT OF THE SENATE

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_