

2022 Regular Session

HOUSE BILL NO. 118

BY REPRESENTATIVE FIRMENT

INSURANCE: Provides for the members of the Louisiana Property and Casualty Insurance Commission and its ad hoc committees

1 AN ACT

2 To amend and reenact R.S. 22:2171(D), (C)(7), (E)(6), (F)(12), (G)(12), and (H) through (L)
3 and to enact R.S. 22:2171(C)(23) through (26) and (M), relative to the Louisiana
4 Property and Casualty Insurance Commission; to provide for the members of the
5 commission; to create an ad hoc committee under the commission to study
6 catastrophe property claims; to provide for the members of the commission's ad hoc
7 committees; to make technical changes; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 22:2171(D), (C)(7), (E)(6), (F)(12), (G)(12), and (H) through (L) are
10 hereby amended and reenacted and R.S. 22:2171(C)(23) through (26) and (M) are hereby
11 enacted to read as follows:

12 §2171. Louisiana Property and Casualty Insurance Commission

13 * * *

14 C. The commission shall consist of the following members:

15 * * *

16 (7) A representative of the ~~Property Casualty Insurers Association of~~
17 ~~America~~ American Property Casualty Insurance Association, selected by its
18 governing body, or his designee.

19 * * *

20 (23) A representative of the Louisiana Claims Association.

1 (2) The commissioner of insurance or his designee.

2 (3) Two members of the Senate Committee on Insurance selected by its
3 chairperson.

4 (4) Two members of the House Committee on Insurance selected by its
5 chairperson.

6 (5) A representative of the Independent Insurance Agents & Brokers of
7 Louisiana.

8 (6) A representative of the National Association of Mutual Insurance
9 Companies.

10 (7) One consumer representative selected by the speaker of the House of
11 Representatives.

12 (8) One consumer representative selected by the president of the Senate.

13 (9) A representative of the Louisiana Claims Association.

14 (10) A representative of the National Association of Independent Insurance
15 Adjusters.

16 (11) A representative of the American Adjuster Association.

17 (12) A representative of the American Policyholder Association.

18 (13) A representative of the American Property Casualty Insurance
19 Association.

20 (14) A representative of the Professional Insurance Agents of Louisiana.

21 I. The members of the commission shall serve without compensation, and
22 their terms shall be for two years.

23 F. J. Any vacancies on the commission shall be filled in the same manner as
24 the original appointments for the unexpired portion of the term of the vacated
25 appointment.

26 F. K. A majority of the members of the commission shall constitute a quorum
27 for the transaction of business. A majority of the members of an ad hoc committee
28 shall constitute a quorum for the transaction of business of the ad hoc committee.

29 All official actions of the commission or any ad hoc committee shall require the

1 affirmative vote of a majority of the members of the commission or ad hoc
2 committee present and voting during meetings of the commission or ad hoc
3 committee. The commission shall meet twice annually in any one calendar year and
4 the ad hoc committees may meet on the call of the chairperson of the commission or
5 of the ad hoc committee, or upon the request of any three members of the ad hoc
6 committee.

7 ~~K.(1)~~ L.(1) The commission shall submit to the governor, the Louisiana
8 Legislature, and the commissioner of insurance on an annual basis prior to the
9 convening of each regular legislative session an annual report on their actions,
10 studies, findings, and recommendations of those laws and projects affecting property
11 and casualty insurance.

12 (2)(a) The commission shall conduct all meetings and hearings, in
13 accordance with R.S. 42:11 et seq., to receive testimony about that information it is
14 charged with gathering. The commission shall also be permitted to receive further
15 information and testimony from regional and national experts on insurance rating
16 issues. The commission shall study ways to give incentives to those communities
17 that have a greater enforcement rate over laws that directly or indirectly affect
18 insurance rates in that community and state.

19 (b) All state and local agencies and political subdivisions shall cooperate
20 with the commission and assist it in the gathering of information when requested.
21 All materials in the possession or control of the commission or its employees shall
22 be considered public records pursuant to R.S. 44:1 et seq.

23 E. M. The commissioner ~~of insurance~~ shall appoint a director and an
24 assistant director with the consent of the Senate who shall serve at the pleasure of the
25 commissioner. The commissioner ~~of insurance~~ may also employ such persons,
26 including two unclassified employees, as necessary to carry out the provisions of this
27 Section and may establish the compensation of technical, professional, and clerical
28 employees as needed for the commission to accomplish its work. Any such
29 employee shall be compensated from the budget of the commissioner. All of the

1 employees of the commission shall be under the direction and supervision of the
2 commissioner ~~of insurance~~.

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 118 Reengrossed

2022 Regular Session

Firmen

Abstract: Provides for the members of the La. Property and Casualty Insurance Commission and its ad hoc committees.

Present law provides for the members who serve on the La. Property and Casualty Insurance Commission (commission).

Proposed law retains present law and adds the following members to the commission:

- (1) A representative of the La. Claims Association.
- (2) A representative of the National Association of Independent Insurance Adjusters.
- (3) A representative of the American Adjuster Association.
- (4) A representative of the American Policyholder Association.

Proposed law creates an ad hoc committee under the commission to study catastrophe property claims.

Proposed law provides that the ad hoc committee to study catastrophe property claims shall consist of the following members:

- (1) The governor or his designee.
- (2) The commissioner of insurance or his designee.
- (3) Two members of the Senate Committee on Insurance selected by its chairperson.
- (4) Two members of the House Committee on Insurance selected by its chairperson.
- (5) A representative of the Independent Insurance Agents & Brokers of La.
- (6) A representative of the National Association of Mutual Insurance Companies.
- (7) One consumer representative selected by the speaker of the House of Representatives.
- (8) One consumer representative selected by the president of the Senate.
- (9) A representative of the La. Claims Association.
- (10) A representative of the National Association of Independent Insurance Adjusters.
- (11) A representative of the American Adjuster Association.

- (12) A representative of the American Policyholder Association.
- (13) A representative of the American Property Casualty Insurance Association.
- (14) A representative of the Professional Insurance Agents of La.

Present law provides that a representative of the Property Casualty Insurers Association of America shall serve as a member on the La. Property and Casualty Insurance Commission, the automobile insurance ad hoc committee, the homeowners ad hoc committee, and the workers' compensation insurance ad hoc committee.

Proposed law changes a member of the commission and its ad hoc committees in present law from a representative of the Property Casualty Insurers Association of America to a representative of the American Property Casualty Insurance Association to reflect the organization having changed its name.

Proposed law makes technical changes.

(Amends R.S. 22:2171(D), (C)(7), (E)(6), (F)(12), (G)(12), and (H)-(L); Adds R.S. 22:2171(C)(23)-(26) and (M))

Summary of Amendments Adopted by House

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

- 1. Add a representative of the American Property Casualty Insurance Association to the catastrophe property claims ad hoc committee within the Louisiana Property and Casualty Insurance Commission.
- 2. Make technical changes.

The House Floor Amendments to the engrossed bill:

- 1. Change a member of the commission and its ad hoc committees in present law from a representative of the Property Casualty Insurers Association of America to a representative of the American Property Casualty Insurance Association to reflect the organization having changed its name.
- 2. Add a representative of the Professional Insurance Agents of La. to the catastrophe property claims ad hoc committee under the commission.