

2020 Regular Session

HOUSE BILL NO. 224

BY REPRESENTATIVE BAGLEY

INSURANCE/RATES: Provides relative to rate determinations based on risks classified by the insured's credit score or rating

1 AN ACT

2 To amend and reenact R.S. 22:1454(A), relative to insurance rating standards and methods;
3 to prohibit rate classifications based on an insured's credit score or rating; and to
4 provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 22:1454(A) is hereby amended and reenacted to read as follows:

7 §1454. Rating standards and methods

8 A. Rates shall not be inadequate or unfairly discriminatory in a competitive
9 market. Rates shall not be excessive, inadequate, or unfairly discriminatory in a
10 noncompetitive market. Risks may be classified using any criteria except that no
11 risk shall be classified on the basis of race, color, creed, ~~or national origin,~~ or the
12 insured's credit score or rating.

13 * * *

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 224 Original

2020 Regular Session

Bagley

Abstract: Prohibits risks classifications based on an insured's credit score or rating when determining rates.

Present law prohibits inadequate or unfairly discriminatory rates in a competitive market.

Present law prohibits rates from being excessive, inadequate, or unfairly discriminatory in a noncompetitive market.

Present law authorizes risk classifications based on any criteria except race, color, creed, or national origin.

Proposed law retains present law and further prohibits risk classifications based on a person's credit score or rating when determining insurance rates.

(Amends R.S. 22:1454(A))