

SENATE BILL NO. 70

BY SENATOR ABRAHAM

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

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AN ACT

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

Be it enacted by the Legislature of Louisiana:

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

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

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

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

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

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

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