2022 Regular Session

HOUSE BILL NO. 351

BY REPRESENTATIVE JORDAN

INSURANCE/AUTOMOBILE: Prohibits the use of certain rating factors in automobile insurance underwriting

1	AN ACT
2	To amend and reenact R.S. 22:1454(A) and to repeal Subpart P of Part IV of Chapter 4 of
3	Title 22 of the Louisiana Revised Statutes of 1950, comprised of R.S. 22:1501
4	through 1514, relative to insurance rating standards and methods; to prohibit rate
5	classification based on an insured's education level, employment, trade, business,
6	occupation, profession, or credit information; to repeal provisions regarding the use
7	of credit information; and to provide for related matters.
8	Be it enacted by the Legislature of Louisiana:
9	Section 1. R.S. 22:1454(A) is hereby amended and reenacted to read as follows:
10	§1454. Rating standards and methods
11	A. Rates shall not be inadequate or unfairly discriminatory in a competitive
12	market. Rates shall not be excessive, inadequate, or unfairly discriminatory in a
13	noncompetitive market. Risks may be classified using any criteria except that no
14	risk shall be classified on the basis of race, color, creed, <u>education level,</u>
15	<u>employment, trade, business, occupation, profession, credit information,</u> or national
16	origin.
17	* * *
18	Section 2. Subpart P of Part IV of Chapter 4 of Title 22 of the Louisiana Revised
19	Statutes of 1950, comprised of R.S. 22:1501 through 1514, is hereby repealed in its entirety.

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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Abstract: Prohibits the use of certain rating factors in automobile insurance underwriting.

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.

Proposed law authorizes risk classification based on any criteria except race, color, creed, or nation origin.

Proposed law retains present law and further prohibits risk classification based on a person's credit information, education level, employment, trade, business, occupation, or profession.

Present law regulates the use of credit information for personal insurance.

Proposed law repeals present law.

(Amends R.S. 22:1454(A); Repeals R.S. 22:1501-1514)

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.