

## DIGEST

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SB 113 Reengrossed

2023 Regular Session

Hewitt

Present law provides that any insurer that is required to submit rates and rating plans to the commissioner of insurance shall provide an actuarially justified discount, credit, rate differential, adjustment in deductible, or any other adjustment to reduce the insurance premium to insureds who build or retrofit a structure to comply with the requirements of the State Uniform Construction Code or the Insurance Institute for Business and Home Safety.

Proposed law makes technical changes.

Proposed law provides that any insurer that is required to submit rates and rating plans to the commissioner of insurance shall provide an actuarially justified discount, credit, rate differential, adjustment in deductible, or any other adjustment to reduce the insurance premium to insureds who build or retrofit a structure to comply with the requirements of the State Uniform Construction Code or the fortified home, fortified multi-family, or fortified commercial standards created by the Insurance Institute for Business and Home Safety.

Present law provides that any insurer required to submit rates and rating plans to the commissioner of insurance shall provide an actuarially justified discount, credit, rate differential, adjustment in deductible, or any other adjustment to reduce the insurance premium to insureds who install mitigation improvements or retrofit their property utilizing construction techniques demonstrated to reduce the amount of loss from a windstorm or hurricane.

Proposed law retains present law and makes technical changes.

Present law provides that mitigation improvements or construction techniques shall include but not be limited to: roof deck attachments; secondary water barriers; roof coverings; brace gable ends; construction techniques which enhance or reinforce roof strength; roof-covering performance; roof-to-wall strength, wall-to-floor-to-foundation strength; opening protection; and window, door, and skylight strength.

Proposed law retains present law and makes technical changes.

Present law provides that after July 1, 2022, all insurers required to submit rating plans to the commissioner may, if actuarially justified, provide credits and discounts in compliance with the fortified home and fortified commercial standards created by the Insurance Institute for Business and Home Safety.

Proposed law makes technical changes.

Proposed law removes the July 1, 2022 date.

Proposed law provides that all insurers required to submit rating plans to the commissioner shall provide an actuarially justified discount, credit, rate differential, adjustment in deductible, or any other adjustment to reduce the insurance premium to insureds who build or retrofit a structure to comply with the requirements of the fortified home and fortified commercial standards created by the Insurance Institute for Business and Home Safety.

Present law provides that any homeowner who is currently receiving discounts pursuant to present law may opt to maintain discounts offered prior to July 1, 2022, if the homeowner continues to meet the requirements to maintain such discounts, in lieu of the discount provided in present law.

Proposed law repeals present law.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 22:1483(A), (B), and (C)(1))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Insurance to the original bill

1. Removes option to receive mitigation or construction discounts in lieu of receiving an actuarially discounted premium rate for an insured who built or retrofit a structure to comply with the fortified home and fortified commercial standards.
2. Provides the law to be called the "The State Uniform Construction Code and the Louisiana Fortified Roof Premium Discount Act".
3. Makes technical changes.

Senate Floor Amendments to reengrossed bill

1. Makes a technical change.

Summary of Amendments Adopted by House

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

1. Make technical changes.
2. Extend the reduction of insurance premiums to individuals who comply with the fortified multi-family standards created by the Insurance Institute for Business and Home Safety.