

2024 Regular Session

SENATE BILL NO. 295

BY SENATOR CLOUD

INSURANCE RATES. Provides for certain processes relative to rate making. (8/1/24)

1 AN ACT

2 To amend and reenact R.S. 22:1451, 1464(A)(2) and (D), and 1465(A)(2) and (B)(1) and to  
3 enact R.S. 22:1465(A)(4) and (D), relative to rate making; to provide for the process  
4 whereby the commissioner reviews rate filings; to provide for the approval of rate  
5 filings; to provide for certain rate filings to be deemed approved; to provide for  
6 incomplete or disapproved rate filings; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 22:1451, 1464(A)(2) and (D), and 1465(A)(2) and (B)(1) are hereby  
9 amended and reenacted and R.S. 22:1465(A)(4) and (D) are hereby enacted to read as  
10 follows:

11 §1451. Systems for ratemaking

12 A. ~~As used in this Subpart, the term "commissioner" shall mean the~~  
13 ~~commissioner of insurance.~~

14 ~~B. The commissioner shall have the exclusive authority to accept, review, and~~  
15 ~~approve any application for insurance rates or rate changes for all lines of property~~  
16 ~~and casualty insurance. The commissioner shall exercise his authority in accordance~~  
17 ~~with the provisions of this Section.~~

1           ~~C.(1) Subject to the exception specified in Subsection D of this Section, each~~  
2           ~~filing submitted to the commissioner shall be on file for a waiting period of forty-~~  
3           ~~five days before it becomes effective. Upon written application by the insurer or~~  
4           ~~rating organization, the commissioner may authorize a filing which the~~  
5           ~~commissioner has reviewed to become effective before the expiration of the waiting~~  
6           ~~period. At the expiration of the forty-five day waiting period, the filing shall be~~  
7           ~~deemed approved unless prior to day forty-five the filing has been affirmatively~~  
8           ~~approved or disapproved by order of the commissioner. Approval of any such filing~~  
9           ~~by the commissioner shall constitute a waiver of any unexpired portion of this~~  
10           ~~waiting period. The commissioner may by rule, regulation, or order reduce or~~  
11           ~~eliminate the waiting period specified in this Subsection. For any filing that is~~  
12           ~~disapproved, the insurer may appeal the disapproval to the Nineteenth Judicial~~  
13           ~~District Court within fifteen days from the receipt of written notice of disapproval.~~

14           ~~(2) Unless notified by the commissioner that a filing is disapproved pursuant~~  
15           ~~to this Subpart, the insurer or rating organization may commence use of the filed~~  
16           ~~rates upon expiration of forty-five days from the date of receipt by the commissioner.~~

17           **Except as provided for in Subsection B of this Section, every authorized insurer**  
18           **shall file with the commissioner all rates, supplementary rate information, and**  
19           **all supporting information for risks to be written by the insurer in this state.**  
20           **The rates and information submitted pursuant to this Subpart shall be deemed**  
21           **approved unless the insurer is notified otherwise by the commissioner within**  
22           **thirty days of the rate filing.**

23           ~~D.B.~~ Insurers negotiating with and insuring commercial entities, except with  
24           regard to workers' compensation and medical malpractice insurance, with at least ten  
25           thousand dollars in annual insurance premiums, shall be required to file insurance  
26           rates or rate changes for ~~such~~ entities with the commissioner for informational  
27           purposes only. The commissioner may by rule, regulation, or order reduce or  
28           eliminate the annual premium threshold for those entities that enables rate filings to  
29           be made under this Subsection.



1 the ~~waiting~~ periods provided in R.S. 22:1451~~(C)(1)~~ shall commence as of the date  
2 the information is furnished to complete the filing.

3 \* \* \*

4 D. All rates, supplementary rate information, and any supporting information  
5 filed under this Subpart shall be open to public inspection upon expiration of the  
6 ~~forty-five-day~~ **notification** period as ~~set forth in~~ **applicable pursuant to** R.S.  
7 22:1451~~(C)(1)~~, or upon disapproval, except for information which is deemed  
8 confidential, trade secret, or proprietary by the insurer or filer.

9 \* \* \*

10 §1465. Disapproval of filings; rates; procedures

11 A.(1) \* \* \*

12 (2) If within the ~~forty-five-day waiting period or any extension of this~~  
13 **notification** period as provided in R.S. 22:1451, the commissioner finds that a **rate**  
14 filing does not meet the requirements of this Subpart, he shall send to the insurer or  
15 rating organization which made such filings written notice of disapproval of ~~such the~~  
16 **rate** filing specifying wherein he finds ~~such the rate~~ filing ~~fails to meet~~ **is not in**  
17 **compliance with** the requirements of this Subpart, and **the commissioner** ~~stating~~  
18 **states** that ~~such the rate~~ filing shall not become effective.

19 \* \* \*

20 **(4) If a rate filing is determined to be inadequate or unfairly**  
21 **discriminatory pursuant to the provisions of this Subpart, the commissioner**  
22 **may direct the insurer to collect additional premium to ensure that the rate is**  
23 **adequate or to require a refund of any sums deemed to be discriminatory.**

24 B.(1) Any insurer whose rate filing is returned as incomplete more than once  
25 or disapproved ~~or not acted upon within forty-five days from the date of receipt by~~  
26 ~~the commissioner under this Subsection~~ shall be ~~given~~ **provided** a public hearing  
27 upon written request made within thirty days of the return of the rate filing,  
28 disapproval of the rate filing, or inaction of the commissioner.

29 \* \* \*

1                    **D. Nothing in this Section shall be interpreted to create a private cause**  
 2                    **of action.**

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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Beth O'Quin.

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	DIGEST	
SB 295 Original	2024 Regular Session	Cloud

Present law provides rate filing requirements for certain property, casualty, and liability policies.

Proposed law changes the rate filing requirement for certain property, casualty, and liability policies by requiring every insurer writing certain property, casualty, and liability policies to file with the commissioner of insurance all rates, supplementary rate information, and all supporting information for risks to be written by the insurer in this state. The rates and information submitted is deemed approved unless the commissioner notifies the insurer within 30 days from the Dept. of Insurance receiving the rate filing.

Present law provides the Dept. of Insurance may determine whether the information provided in the rate filing is insufficient to determine if the rate filing meets the requirements provided by present law. Present law provides that waiting periods commence from the date the insurer or rating organization provides the department sufficient information for determining whether the rate filing is compliant with present law.

Proposed law retains present law but removes the term "waiting" from present law. Proposed law makes technical changes.

Proposed law provides if a rate filing is determined to be inadequate or unfairly discriminatory, the commissioner may direct the insurer to collect additional premium to ensure that the rate is adequate or require the insurer to provide the insured a refund of any sums deemed to be discriminatory.

Proposed law provides proposed law is not to be interpreted as to create a private cause of action.

Effective on August 1, 2024.

(Amends R.S. 22:1451, 1464(A)(2) and (D), and 1465(A)(2) and (B)(1); adds R.S. 22:1465(A)(4) and (D))