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 DIGEST

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SB 113 Reengrossed

2024 Regular Session

Talbot

Present law provides an exemption from class actions and penalties awarded pursuant to present law for the La. Insurance Guaranty Association (LIGA) and the La. Citizens Property Insurance Corp. (Citizens).

Proposed law retains present law but adds certain exemptions for damages and penalties for LIGA and Citizens relative to property insurance claims. Further provides that Citizens is not liable for damages in excess of the policy's limit, but does not preclude Citizens from payment of legal interest due from breach or reasonable attorney fees and costs.

Proposed law provides certain exemptions for property damages for LIGA and Citizens for claims of catastrophic loss. Further provides that Citizens is not liable for damages in excess of the policy's limit, but does not preclude Citizens from payment of legal interest due from breach or reasonable attorney fees and costs.

Present law requires policies issued or renewed under Citizens to be at least 10% higher than the premium rates in accordance with present law and provides applicable rate rules.

Proposed law retains present law but changes the excess rate requirement assessed by Citizens from 10% to 5% for all parishes in the state of La. until Dec. 31, 2027, and eliminates the excess rate requirement for certain parishes in the state until Dec. 31, 2027.

Proposed law requires the Dept. of Insurance to annually report certain percentages of residential insurance business to the House and Senate committees on insurance beginning Feb. 1, 2025.

Proposed law provides for legislative declarations and intent. Further provides that present and proposed law (R.S. 22:2303(D)(1) and (6)) become effective on Jan. 1, 2025.

Effective July 1, 2024.

(Amends R.S. 22:1892(H), 1892.2(F), and 2303(D)(1); Adds R.S. 22:2303(D)(6))

#### Summary of Amendments Adopted by Senate

##### Senate Floor Amendments to engrossed bill

1. Adds certain exemptions for property damages for the La. Insurance Guaranty Association and for the La. Citizens Property Insurance Corporation for damages relative to claims.
2. Adds certain exemptions for property damages for the La. Insurance Guaranty Association and for the La. Citizens Property Insurance Corporation for damages relative to catastrophic claims.
3. Changes the rate requirement for the La. Citizens Property Insurance Corporation from 10% to 5%, except for properties located in the parishes included in the federal Gulf Opportunity Zone Act of 2005 in Louisiana.
4. Provides rate requirements for certain policies issued or renewed by the La. Citizens Property Insurance Corporation.

5. Provides for an effective date.
6. Makes technical changes.

Summary of Amendments Adopted by House

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

1. Provide that the La. Citizens Property Insurance Corp. (Citizens) is not precluded from payment of legal interest due from breach or reasonable attorney fees and costs.
2. Reduce the excess rate assessed by Citizens from 10% to 5% for all parishes in the state until Dec. 31, 2027 and eliminate the excess rate assessment for certain parishes until Dec. 31, 2027.
3. Require the Dept. of Insurance to annually report certain percentages of residential insurance business to the House and Senate committees on insurance beginning Feb. 1, 2025.
4. Provide legislative declarations and intent.
5. Make present and proposed law (R.S. 22:2303(D)(1) and (6)) effective on Jan. 1, 2025.