

ACT No. 770

HOUSE BILL NO. 797

BY REPRESENTATIVES TUCKER, K. CARTER, ERDEY, FUTRELL, JOHNS, ALARIO, ALEXANDER, ANSARDI, ARNOLD, BALDONE, BAUDOIN, BAYLOR, BROOME, BRUCE, BRUNEAU, BURNS, BURRELL, CROWE, CURTIS, DAMICO, DANIEL, DEWITT, DOERGE, DORSEY, DOVE, DURAND, FANNIN, FARRAR, FAUCHEUX, FLAVIN, FRITH, GLOVER, GRAY, E. GUILLORY, M. GUILLORY, HILL, HONEY, HUTTER, JACKSON, JEFFERSON, KATZ, KENNEY, LABRUZZO, LANCASTER, MARCHAND, MARTINY, MCDONALD, MURRAY, PIERRE, PITRE, M. POWELL, T. POWELL, QUEZAIRE, RICHMOND, RITCHIE, ROMERO, SALTER, SCALISE, SHEPHERD, GARY SMITH, JACK SMITH, JOHN SMITH, ST. GERMAIN, STRAIN, THOMPSON, TOOMY, TOWNSEND, TRAHAN, WALKER, WALSWORTH, AND WHITE AND SENATORS ADLEY, AMEDEE, BAJOIE, BARHAM, BOASSO, BOISSIERE, CAIN, CHAISSON, CHEEK, CRAVINS, DARDENNE, DUPLESSIS, DUPRE, ELLINGTON, FIELDS, FONTENOT, B. GAUTREAUX, N. GAUTREAUX, HAINKEL, HEITMEIER, HINES, HOLDEN, HOLLIS, IRONS, JACKSON, JONES, LENTINI, MALONE, MARIONNEAUX, MCPHERSON, MICHOT, MOUNT, NEVERS, ROMERO, SCHEDLER, SMITH, THEUNISSEN, AND ULLO

1 AN ACT

2 To enact R.S. 22:1214(7)(j) and 1425, relative to automobile liability insurance; to provide
3 for active military personnel; to provide for premium discounts; to provide for
4 rebates; to provide for rules and regulations; to provide for the authority of the
5 commissioner of insurance; and to prohibit unfair trade practices as they relate to the
6 issuance of insurance to those who are or have participated in certain military
7 services; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 22:1214(7)(j) and 1425 are hereby enacted to read as follows:

10 §1214. Methods, acts, and practices which are defined herein as unfair or deceptive
11 acts or practices in the business of insurance:

12 * * *

13 (7) Unfair discrimination.

14 * * *

15 j. With regards to automobile liability insurance, refusing to issue insurance
16 coverage or increasing insurance premiums solely based upon a lapse in insurance
17 coverage where the insured is serving in the military and has been deployed and has

performed military services out of state and where the individual has previously surrendered his automobile license number plate to the office of motor vehicles in compliance with R.S. 47:505(B). This Paragraph shall apply to all existing and new insurance policies as well as renewals of existing policies.

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§1425. Military personnel premium discount; rebates

A. Every motor vehicle insurer authorized to transact business in this state shall provide to active military personnel based in this state a discount of twenty-five percent of the premium on any automobile liability insurance policy purchased in this state to cover motor vehicles owned by such military personnel.

B. Insurers providing the discount authorized by this Section to active military personnel shall be entitled to a rebate from the state in an amount equal to the discount actually provided. Such insurers shall submit to the commissioner of insurance the documents, evidence, and proof required, in accordance with the rules and regulations adopted by the commissioner, to establish the discounts actually provided. Upon approval, the commissioner shall issue a warrant upon the state treasurer in favor of the insurer for payment of the amount approved.

C. The commissioner of insurance shall adopt rules and regulations, in accordance with the Administrative Procedure Act, to implement the provisions of this Section. The rules and regulations shall include and not be limited to the following:

(1) Provisions defining and delineating active military personnel who may receive the discount.

(2) Recordkeeping requirements for the insurers.

(3) Procedures for submitting claims for rebates.

(4) A listing of the documents, evidence, and proof necessary to establish a
valid claim.

1 ~~(5) Time requirements and limitations for the submission of a claim,~~
2 ~~examination of the claim, a final decision by the commissioner, and the issuance of~~
3 ~~a warrant.~~

4 ~~(6) Other such provisions necessary for the proper implementation of this~~
5 ~~Section.~~

6 Section 2. The premium tax rebate authorized by this Act shall only grant one-half
7 of the discount for the fiscal year beginning July 1, 2005. The full discount shall take effect
8 on July 1, 2006.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____