

2015 Regular Session

HOUSE CONCURRENT RESOLUTION NO. 208

BY REPRESENTATIVE STOKES

INSURANCE CLAIMS: Requests the commissioner of insurance to issue regulations requiring insurers to disclose to insureds that homeowner's claims not exceeding the policy deductible may be used by the insurer in determining rates or whether to renew a homeowner's policy

1 A CONCURRENT RESOLUTION

2 To urge and request the commissioner of insurance to issue regulations requiring insurers
3 to disclose to insureds that homeowner's claims not exceeding the policy deductible
4 may be used by the insurer in determining rates or whether to renew a homeowner's
5 policy.

6 WHEREAS, R.S. 22:1265 provides that an insurer may cancel or fail to renew a
7 homeowner's policy of insurance or to increase the policy deductible when the insured has
8 made two or more claims within a continuous three-year period of time within the five years
9 preceding the current policy renewal date; and

10 WHEREAS, R.S. 22:1265 provides that an incident shall be deemed a claim when
11 there is a demand for payment by the insured or the insured's representative under the terms
12 of the homeowner's policy of insurance, but does not define what constitutes a demand for
13 payment; and

14 WHEREAS, R.S. 22:1265 does not explicitly state that an insurer shall actually pay
15 money to the insured or on behalf of the insured before using the claim as one of the two
16 claims within the continuous three-year period of time as grounds for canceling or failing
17 to renew a homeowner's policy of insurance or to increase the policy deductible; and

18 WHEREAS, a study conducted by the Louisiana Department of Insurance pursuant
19 to House Concurrent Resolution No. 199 of the 2014 Regular Session found that some
20 insurers make use of claims closed below the deductible in making decisions upon renewal

1 or cancellation of a policy, or to trigger an increase in the premium, but that others do not
2 make use of such claims; and

3 WHEREAS, a homeowner should be informed that any claim made that does not
4 exceed his deductible may be used by his insurer to determine rates or in deciding whether
5 to renew his homeowner's policy.

6 THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby
7 urge and request the commissioner of insurance to issue regulations requiring insurers to
8 disclose to insureds that homeowner's claims not exceeding the policy deductible may be
9 used by the insurer in determining rates or whether to renew a homeowner's policy.

10 BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the
11 commissioner of insurance.

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)]

HCR 208 Original

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Stokes

Requests the commissioner of insurance to issue regulations requiring insurers notify insureds that homeowner's claims not exceeding the policy deductible may be used by the insurer in determining rates or whether to renew the insured's homeowner's policy.