SLS 20RS-80 **ORIGINAL**

2020 Regular Session

SENATE BILL NO. 14

1

BY SENATOR LUNEAU

INSURANCE RATES. Prohibits insurance rate determinations based on risks classified by the insured's credit score/rating. (8/1/20)

AN ACT

2	To amend and reenact R.S. 22:1454(A), relative to rating standards and methods; to prohibit
3	rate classifications based upon the insured's credit score/rating; and to provide for
4	related matters.
5	Be it enacted by the Legislature of Louisiana:
6	Section 1. R.S. 22:1454(A) is hereby amended and reenacted to read as follows:
7	§1454. Rating standards and methods
8	A. Rates shall not be inadequate or unfairly discriminatory in a competitive
9	market. Rates shall not be excessive, inadequate, or unfairly discriminatory in a
10	noncompetitive market. Risks may be classified using any criteria except that no risk
11	shall be classified on the basis of race, the insured's credit score/rating, color,
12	creed, or national origin.
13	* * *

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Thomas L. Tyler.

DIGEST 2020 Regular Session

Luneau

SB 14 Original

<u>Present law</u> requires that insurance rates not be inadequate or unfairly discriminatory in a competitive market and that rates not be excessive, inadequate, or unfairly discriminatory in a noncompetitive market. Authorizes classification of risks using any criteria but prohibits risk classifications on the basis of race, color, creed, or national origin.

<u>Proposed law</u> retains these provisions but further prohibits risk classifications made on the basis of a person's credit score/rating.

Effective August 1, 2020.

(Amends R.S. 22:1454(A))