SLS 20RS-49 **ORIGINAL** 

2020 Regular Session

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SENATE BILL NO. 299

BY SENATOR JACKSON

INSURANCE RATES. Prohibits insurers from using certain criteria for rate setting. (8/1/20)

AN ACT

2	To amend and reenact R.S. 22:1454(A), relative to rating standards and methods; to prohibit
3	the use of credit scores, employment classifications, or marital status to classify
4	risks; and to provide for related matters.
5	Be it enacted by the Legislature of Louisiana:
6	Section 1. The Legislature of Louisiana hereby finds that the use of certain criteria
7	by automobile insurers in determining rates amounts to discriminatory taxation of certain
8	classes of people. The provisions of this Act eliminate the widow tax, the blue collar worker
9	tax, and the credit tax imposed by automobile insurers.
10	Section 2. R.S. 22:1454(A) is hereby amended and reenacted to read as follows:
11	§1454. Rating standards and methods
12	A. Rates shall not be inadequate or unfairly discriminatory in a competitive
13	market. Rates shall not be excessive, inadequate, or unfairly discriminatory in a
14	noncompetitive market. Risks may be classified using any criteria except that no risk
15	shall be classified on the basis of race, color, creed, or national origin, credit score,
16	employment type or classification, or status as a widow or widower.
17	* * *

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by LG Sullivan.

## DIGEST

SB 299 Original

2020 Regular Session

Jackson

<u>Present law</u> prohibits rates from being inadequate or unfairly discriminatory in a competitive market. Further prohibits rates from being excessive, inadequate, or unfairly discriminatory in a noncompetitive market. Provides that no risk shall be classified on the basis of race, color, creed, or national origin.

<u>Proposed law</u> retains <u>present law</u> and prohibits risks from being classified on the basis of credit score, job type, or status as a widow or widower.

Effective August 1, 2020.

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