

RÉSUMÉ DIGEST

ACT 30 (HB 451)

2021 Regular Session

Davis

Existing law provides that any insurer required to submit rates and rating plans to the commissioner of insurance shall provide an actuarially justified discount, credit, rate differential, adjustment in deductible, or any other adjustment to reduce the insurance premium to insureds who build or retrofit a structure to comply with the requirements of the State Uniform Construction Code.

New law retains existing law and provides that insurers required to submit rates and rating plans to the commissioner shall comply with the requirements of the State Uniform Construction Code or the Insurance Institute for Business and Home Safety.

New law provides that after July 1, 2022, all insurers required to submit rating plans to the commissioner may, if actuarially justified, provide credits and discounts in compliance with the fortified home and fortified commercial standards created by the Insurance Institute for Business and Home Safety.

New law provides that any homeowner currently receiving discounts under existing law may opt to maintain discounts offered prior to July 1, 2022, so long as the homeowner continues to meet the requirements to maintain such discounts, in lieu of the discount provided in new law.

New law provides that to obtain a credit or discount provided in new law, an insurable property located in this state must be certified as constructed in accordance with the fortified home or fortified commercial standards provided by the Insurance Institute for Business and Home Safety.

New law provides that an insurable property shall be certified as in conformance with the fortified home or fortified commercial standards only after inspection and certification by an Insurance Institute for Business and Home Safety certified inspector.

New law provides that an owner of insurable property claiming a credit or discount shall maintain and provide certification records and construction records for which he seeks a discount.

New law provides that an owner of insurable property claiming a credit or discount shall maintain the Insurance Institute for Business and Home Safety certification documents. The certification shall be presented to the insurer or potential insurer of a property owner before the adjustment becomes effective for the insurable property along with any other necessary records.

New law provides that the credit or discount shall apply only to policies that provide wind coverage and may apply to the portion of the premium for wind coverage or to the total premium, if the insurer does not separate out the premium for wind coverage in the rate filing.

New law provides that the records required in new law are subject to audit by the commissioner.

New law provides that nothing in existing law or new law shall prohibit insurers from offering additional adjustments in deductible, other credit rate differentials, or a combination thereof.

New law provides that for the purposes of new law, insurable property shall include single-family residential property, commercial property, modular homes, and manufactured homes that may be retrofitted.

New law makes technical changes.

Effective August 1, 2021.

(Amends R.S. 22:1483(A) and (C); Adds R.S. 22:1483(D))