

2022 Regular Session

HOUSE BILL NO. 116

BY REPRESENTATIVE ROBBY CARTER

INSURANCE/RATES: Provides for the exclusion of advertising expenses in setting rates or making rate filings

1 AN ACT

2 To amend and reenact R.S. 22:1452(C)(7) and 1454(B)(3), relative to rate making and rate
3 filing; to prohibit the use of advertising expenses in rate setting; to provide
4 definitions; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 22:1452(C)(7) and 1454(B)(3) are hereby amended and reenacted
7 to read as follows:

8 §1452. Purpose of rate regulation; construction; definitions

9 * * *

10 C. As used in this Subpart, the following definitions shall be applicable:

11 * * *

12 (7) "Expenses" means that portion of a rate attributable to acquisition, field
13 supervision, collection expenses, general expenses, taxes, licenses, and fees and does
14 not include loss adjustment expenses or advertising expenses.

15 * * *

16 §1454. Rating standards and methods

17 * * *

18 B. In determining whether rates are excessive, inadequate, or unfairly
19 discriminatory, consideration may be given to the following items:

20 * * *

