

2022 Regular Session

HOUSE RESOLUTION NO. 198

BY REPRESENTATIVE ROBBY CARTER

INSURANCE/AUTOMOBILE: Urges and requests the Department of Insurance to study and make recommendations regarding the effect of excluding advertising expenses in setting automobile insurance rates

1 A RESOLUTION

2 To urge and request the Department of Insurance to study and make recommendations to the
3 House of Representatives of the Legislature of Louisiana regarding the effect of
4 excluding advertising expenses in setting automobile insurance rates and to report
5 its findings and recommendations.

6 WHEREAS, Statista reported that certain insurance companies spent over one billion
7 dollars in advertising in 2020; and

8 WHEREAS, insurance company mascots have become ubiquitous in cable network
9 commercials, internet advertisements, and video streaming commercials; and

10 WHEREAS, the insurance market is an industry concerned with mitigating the cost
11 of losses by spreading risk among policyholders; and

12 WHEREAS, policyholders pay premiums to insurance companies for the purpose of
13 receiving insurance proceeds in the event of a loss to assist them in financing repairs of the
14 damage resulting from a loss; and

15 WHEREAS, policyholders do not pay premiums to insurance companies for the
16 purpose of being entertained during commercial breaks in television programing; and

17 WHEREAS, it is in the interest of the residents of Louisiana to pay reasonable
18 insurance premiums for adequate coverage; and

19 WHEREAS, Kelley Blue Book reported in January 2022 that Louisiana is the state
20 with the fourth highest average monthly cost for car insurance in the United States; and

1 WHEREAS, it is the duty of the Department of Insurance to study and regulate the
2 insurance industry for the state of Louisiana.

3 THEREFORE, BE IT RESOLVED that the House of Representatives of the
4 Legislature of Louisiana does hereby urge and request the Department of Insurance to study
5 and make recommendations to the Legislature of Louisiana regarding the effect of excluding
6 advertising expenses in setting automobile insurance rates.

7 BE IT FURTHER RESOLVED that the Department of Insurance shall report its
8 findings and recommendations in writing to the elected members of the House of
9 Representatives of the Legislature of Louisiana and the David R. Poynter Legislative
10 Research Library on or before January 1, 2023.

11 BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the
12 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)]

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Urges and requests the Dept. of Insurance to study the effect of excluding advertising expenses in setting automobile insurance rates and to report its findings and recommendations to the elected members of the House of Representatives and the David R. Poynter Legislative Research Library on or before Jan. 1, 2023.