

2023 Regular Session

SENATE BILL NO. 113

BY SENATOR HEWITT

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

INSURANCE RATES. Provides for certain insurance premium discounts. (gov sig)

1 AN ACT
2 To amend and reenact R.S. 22:1483(A), (B), and (C)(1), relative to the State Construction
3 Code and the Louisiana Fortified Premium Discounts; premium discounts; to provide
4 for certain building standards; to require certain discounts; and to provide for related
5 matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 22:1483(A), (B), and (C)(1) are hereby amended and reenacted to
8 read as follows:

9 §1483. Premium discounts, credits, rate differentials, adjustments in deductibles,
10 and other adjustments for compliance with building codes and for
11 damage mitigation

12 A. Any insurer required to submit rates and rating plans to the commissioner
13 ~~of insurance~~ shall provide an actuarially justified discount, credit, rate differential,
14 adjustment in deductible, or any other adjustment to reduce the insurance premium
15 to insureds who build or retrofit a structure to comply with the requirements of the
16 State Uniform Construction Code or the **fortified home or fortified commercial**
17 **standards created by the** Insurance Institute for Business and Home Safety.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Beth O'Quin.

DIGEST

SB 113 Engrossed

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Present law requires any insurer to submit rates and rating plans to the commissioner of insurance (commissioner) to provide actuarially justified discounts, credits, rate differentials, adjustment in deductibles, or other adjustments to reduce the insurance premium to an insured who builds or retrofits a structure to comply with the State Uniform Construction Code, or install the Insurance Institute for Business and Home Safety (IIBHS).

Proposed law adds that an insurer is required to submit rates and rating plans to the commissioner and to require an insurer provide discounted insurance premiums to an insured who builds or retrofits a structure to comply with the requirements of the fortified home or commercial standards.

Proposed law removes options for an insured to receive mitigation or construction discounts in lieu of receiving a discounted insurance premium for an insured who builds or retrofits a structure of the actuarially discounted premium rate for an insured who built or retrofit a structure to comply with the fortified home and fortified commercial standards.

Present law provides that after July 1, 2022, insurers are required to submit rating plans that authorizes the insurer to provide credits and discounts for fortified home and commercial standards by IIBHS.

Proposed law changes present law to require all insurers to provide actuarially justified discounts, credits, rate differentials, adjustments in deductible, or other adjustments to insureds who build or retrofit to IIBHS fortified home or commercial standards.

Proposed law provides this Section may be cited as "The State Uniform Construction Code and the Louisiana Fortified Roof Premium Discount Act".

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 22:1483(A), (B), and (C)(1))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Insurance to the original bill

1. Removes option to receive mitigation or construction discounts in lieu of receiving an actuarially discounted premium rate for an insured who built or retrofit a structure to comply with the fortified home and fortified commercial standards.
2. Provides the law to be called the "The State Uniform Construction Code and the Louisiana Fortified Roof Premium Discount Act".
3. Makes technical changes.