

2024 Regular Session

SENATE BILL NO. 74

BY SENATOR DUPLESSIS

AUTOMOBILE INSURANCE. Prohibits the use of certain information in automobile insurance underwriting. (8/1/24)

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AN ACT

To amend and reenact R.S. 22:1454(A) and to repeal Subpart P of Part IV of Chapter 4 of Title 22 of the Louisiana Revised Statutes of 1950, comprised of R.S. 22:1501 through 1514, relative to insurance rating standards and methods; to prohibit rate classifications for underwriting automobile insurance based on certain information; to repeal the use of credit information for a personal insurance policy; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 22:1454(A) is hereby amended and reenacted to read as follows:

§1454. Rating standards and methods

A. Rates shall not be inadequate or unfairly discriminatory in a competitive market. Rates shall not be excessive, inadequate, or unfairly discriminatory in a noncompetitive market. Risks may be classified using any criteria except that no risk shall be classified on the basis of race, color, creed, ~~or~~ national origin, education level, employment, trade, business, occupation, profession, home ownership, credit information, or any information derived from a consumer's credit report.

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1 Section 2. Subpart P of Part IV of Chapter 4 of Title 22 of the Louisiana Revised
2 Statutes of 1950, comprised of R.S. 22:1501 through 1514, is hereby repealed in its entirety.

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

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Present law prohibits insurance rates that are inadequate or unfairly discriminatory in a competitive market. Present law prohibits insurance rates that are excessive, inadequate, or unfairly discriminatory in a noncompetitive market. Present law further authorizes risk classifications that are based on any criteria except race, color, creed, or national origin.

Proposed law retains present law but prohibits risk classifications based on education level, employment, trade, business, occupation, profession, home ownership, credit information, or any information derived from a consumer's credit report.

Present law provides a consumer certain protections regarding the use of the consumer's credit information that includes an appeals process, dispute resolution process, and disclosure notices.

Proposed law repeals present law.

Present law provides exemptions for the use of a consumer's credit information. Present law shall not be construed to provide a consumer or other insured with a cause of action that did not exist in the absence of present law.

Proposed law repeals present law.

Present law prohibits a consumer reporting agency or insurer from providing or selling certain credit information under certain circumstances. Present law provides exceptions to present law.

Proposed law repeals present law.

Present law prohibits an insurer from using a consumer's credit information under certain circumstances. Present law provides exceptions to present law.

Proposed law repeals present law.

Effective August 1, 2024.

(Amends R.S. 22:1454(A); repeals R.S. 22:1501-1514)