

SENATE BILL NO. 181

BY SENATOR MORRISH

1 AN ACT

2 To amend and reenact R.S. 22:2314(C)(3), relative to the Louisiana Citizens Property
3 Insurance Corporation policy take-out program; to provide with respect to ownership
4 of a policy by a take-out company; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 22:2314(C)(3) is hereby amended and reenacted to read as follows:

7 §2314. Policy take-out program

8 * * *

9 C. Each insurer admitted to write homeowners insurance or insurance
10 insuring one- or two-family owner occupied premises for fire and allied lines or
11 insurance which covers commercial structures in the state of Louisiana may apply
12 to the Louisiana Citizens Property Insurance Corporation to become a take-out
13 company. Insurers will be approved to participate in the depopulation of the
14 Louisiana Citizens Property Insurance Corporation based on the following criteria:

15 * * *

16 (3) The rates which are charged by the company submitting a take-out plan
17 must comply with R.S. 22:2303 in the first year that the company charges premiums
18 to the customer. During the second and ~~subsequent~~ **third** years of coverage, the take-
19 out company shall apply to the Department of Insurance for rates which are

1 actuarially justified, but in no case may the rates be greater than those authorized in

2 R.S. 22:2303.

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PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____