
HOUSE COMMITTEE AMENDMENTS

Amendments proposed by House Committee on Insurance to Original House Bill No. 1060
by Representative Thierry

1 AMENDMENT NO. 1

2 On page 1, delete line 2 in its entirety and insert in lieu thereof the following:

3 "To amend and reenact R.S. 22:1265(D) and (F) and 1333(C) and (D) and to
4 enact R.S. 22:1265(I) and (J) and 1333(G) and (H),"

5 AMENDMENT NO. 2

6 On page 1, line 3, change "homeowner's" to "homeowners"

7 AMENDMENT NO. 3

8 On page 1, line 5, change "homeowner's" to "homeowners"

9 AMENDMENT NO. 4

10 On page 1, delete lines 9 and 10 and insert in lieu thereof the following:

11 "Section 1. R.S. 22:1265(D) and (F) and 1333(C) and (D) are hereby
12 amended and reenacted and R.S. 22:1265(I) and (J) and 1333(G) and (H) are
13 hereby enacted to read as follows:"

14 AMENDMENT NO. 5

15 On page 1, between lines 10 and 11, insert the following:

16 "§1265. Property, casualty, and liability insurance policies; cancellation and
17 nonrenewal provisions; nonrenewal for rate inadequacy; certain prohibitions

18 * * *

19 D. No insurer providing property, casualty, or liability insurance
20 shall cancel or fail to renew a homeowner's policy of insurance or to increase
21 the policy deductible that has been in effect and renewed for more than three
22 years unless based on nonpayment of premium, fraud of the insured, a
23 material change in the risk being insured, two or more claims within a period
24 of three years continuous three-year period of time within the five years
25 preceding the current policy renewal date, or if continuation of such policy
26 endangers the solvency of the insurer. This Subsection shall not apply to an
27 insurer that ceases writing withdraws from the homeowner's homeowners'
28 insurance market in this state or to policy deductibles increased for all
29 homeowners' policies in the this state. For the purposes of this Subsection,
30 an incident shall be deemed a claim only when there is a demand for payment
31 by the insured or the insured's representative under the terms of the policy.
32 A report of a loss or a question relating to coverage shall not independently
33 establish a claim. As used in this Subsection, the phrase "two or more claims
34 within a period of three years continuous three-year period of time within the
35 five years preceding the current policy renewal date" shall not include any
36 loss incurred or arising from an "Act of God" incident which is due directly
37 to forces of nature and exclusively without human intervention.

38 * * *

39 F. Notwithstanding the provisions of Subsection D of this Section,
40 an insurer may make a filing with the commissioner pursuant to R.S. 22:1464

1 for authorization to deviate from the provisions of Subsection D of this
 2 Section for the sole purpose of changing the policy deductible to a total
 3 deductible of not more than four percent of the value of the property being
 4 insured for named storms or hurricanes on a homeowner's policy of insurance
 5 that has been in effect for more than three years. Any insurer filing with the
 6 commissioner pursuant to this Subsection shall file with the commissioner
 7 a business plan setting forth the insurer's plan to write new business in the
 8 particular region or area of the state in which the new deductible is to apply.
 9 The commissioner's approval is to be based on the insurer's commitment to
 10 the writing of new business in the respective region or area of the state in
 11 which the new deductible is to apply. The commissioner may also approve
 12 a filing that he determines to be in the best interest of the policyholders. The
 13 commissioner may subsequently rescind his approval of any filing made
 14 pursuant to this Subsection in the event the insurer fails to write new business
 15 in accordance with the business plan. Any business plan filed shall be
 16 considered proprietary or trade secret pursuant to information under the
 17 provisions of R.S. 44:3.2 and the Uniform Trade Secrets Act. The
 18 commissioner shall provide an annual report to the legislative committees on
 19 insurance on the application and effectiveness of the provisions of this
 20 Section. The commissioner shall promulgate regulations pursuant to the
 21 Administrative Procedure Act setting forth the criteria for the filing,
 22 including any financial or other requirements that he deems necessary to act
 23 on the request by an insurer. Any regulation promulgated by the
 24 commissioner pursuant to this Subsection shall require the insurer to itemize
 25 to the insured the premium savings based on the increase in the insured's
 26 deductible.

27 * * *

28 I. Any authorized property and casualty insurer that avails itself of
 29 the provisions of Subsection C of this Section relative to withdrawing from
 30 the homeowners' insurance market may not issue any homeowners' insurance
 31 coverage in this state during the five-year period beginning on the date of the
 32 discontinuation of the last homeowners' insurance coverage not so renewed.
 33 The commissioner may, for good cause shown pursuant to a written request
 34 by the insurer, permit the insurer to reenter the homeowners' insurance
 35 market prior to the expiration of the five-year period.

36 J. Any approved unauthorized property and casualty insurer that
 37 avails itself of the provisions of Subsection C of this Section relative to
 38 withdrawing from the homeowners' insurance market may not issue any
 39 homeowners' insurance coverage in this state during the five-year period
 40 beginning on the date of the discontinuation of the last homeowners'
 41 insurance coverage not so renewed. The commissioner may, for good cause
 42 shown pursuant to a written request by the insurer, permit the insurer to
 43 reenter the homeowners' insurance market prior to the expiration of the
 44 five-year period.

45 * * *

46 AMENDMENT NO. 6

47 On page 1, line 14, after "providing" delete the remainder of the line and insert "property,
48 casualty, or liability"

49 AMENDMENT NO. 7

50 On page 1, line 18, after "within" delete the remainder of the line and insert in lieu thereof
51 "a continuous three-year period of time within the five"

1 AMENDMENT NO. 8

2 On page 2, line 1, change "homeowner's" to "homeowners"

3 AMENDMENT NO. 9

4 On page 2, line 2, after "for all" delete "homeowner's" and insert in lieu thereof
5 "homeowners' insurance"

6 AMENDMENT NO. 10

7 On page 2, line 7, after "within" delete the remainder of the line and and insert in lieu thereof
8 "a continuous three-year period of time within the five years preceding the current"

9 AMENDMENT NO. 11

10 On page 3, delete lines 8 through 16 in their entirety and insert in lieu thereof:

11 "G. Any authorized property and casualty insurer that avails itself of
12 the provisions of Subsection C of this Section relative to withdrawing from
13 the homeowners' insurance market may not issue any homeowners' insurance
14 coverage in this state during the five-year period beginning on the date of the
15 discontinuation of the last homeowners' insurance coverage not so renewed.
16 The commissioner may, for good cause shown pursuant to a written request
17 by the insurer, permit the insurer to reenter the homeowners' insurance
18 market prior to the expiration of the five-year period.

19 H. Any approved unauthorized property and casualty insurer that
20 avails itself of the provisions of Subsection C of this Section relative to
21 withdrawing from the homeowners' insurance market may not issue any
22 homeowners' insurance coverage in this state during the five-year period
23 beginning on the date of the discontinuation of the last homeowners'
24 insurance coverage not so renewed. The commissioner may, for good cause
25 shown pursuant to a written request by the insurer, permit the insurer to
26 reenter the homeowners' insurance market prior to the expiration of the
27 five-year period."