

Regular Session, 2014

HOUSE BILL NO. 909

BY REPRESENTATIVE LEOPOLD

1 AN ACT

2 To amend and reenact R.S. 44:4.1(B)(11) and to enact R.S. 22:1488, relative to disclosures  
3 by homeowner's insurers; to require insurers authorized to issue homeowner's  
4 policies in Louisiana to provide policy and premium information; to provide for the  
5 commissioner of insurance publishing aggregate information on homeowner's  
6 policies in force and the direct incurred losses of insurers; to provide for the  
7 commissioner of insurance publishing a description of the actuarial model used for  
8 homeowner's properties risk and other related data; to provide penalties for  
9 noncompliance by insurers; to provide for an exemption from the Public Records  
10 Law; and to provide for related matters.

11 Be it enacted by the Legislature of Louisiana:

12 Section 1. R.S. 22:1488 is hereby enacted to read as follows:

13 §1488. Homeowner's insurance clarity; publication of aggregate data; penalties

14 A.(1)(a) Each insurance company authorized to write homeowner's insurance  
15 in this state shall annually submit to the commissioner, commencing on or before  
16 May 1, 2015, for homeowner's insurance policies, the total amount of direct paid  
17 losses reported by peril less all deductibles, the number of policies written, and the  
18 direct written premiums for the prior calendar year. The insurance company shall  
19 report the computations to the commissioner by zip code and parish. The  
20 information received by the commissioner shall be aggregated across all insurance  
21 companies collectively, and the aggregated totals shall be arranged by zip code and  
22 parish.

23 (b) "Homeowner's insurance" as used in this Section shall include  
24 condominium insurance, residential fire insurance, renter's and tenant's insurance,  
25 and mobile home and manufactured housing insurance.

1                    (c) Creditor-placed homeowner's insurance, condominium association  
 2                    insurance, and commercial insurance are excluded from the requirements of this  
 3                    Section.

4                    (2) The commissioner shall compile and publish on the Department of  
 5                    Insurance website by June first annually the aggregated total of the data provided in  
 6                    Paragraph (1) of this Subsection by zip code and parish for the prior calendar year.

7                    (3) Each insurance company authorized to write homeowner's insurance in  
 8                    this state shall annually submit to the commissioner, commencing on or before May  
 9                    1, 2015, computations of the direct paid losses by peril, the number of policies  
 10                   written, and direct written premiums, by zip code and parish, by calendar year for the  
 11                   prior calendar year, for each of the following perils:

- 12                    (a) Fire.
- 13                    (b) Wind and hail.
- 14                    (c) Catastrophe wind and hail per data call by the commissioner.
- 15                    (d) Flood.
- 16                    (e) All other perils.

17                    (4) The commissioner shall post a link to the data on the Department of  
 18                    Insurance website in a prominent position on the website's home page.

19                    B. The commissioner shall post on the Department of Insurance website a  
 20                    general description of the ratemaking methodology that the commissioner permits  
 21                    insurance companies to use in establishing their homeowner's insurance rates.

22                    C.(1) Commencing on or before May 1, 2015, each insurance company  
 23                    authorized to write homeowner's insurance in this state shall provide the information  
 24                    required pursuant to Subsection A of this Section, commencing with the 2004  
 25                    calendar year. Voluntary submissions of the information required by Subsection A  
 26                    of this Section for calendar years prior to 2004 may be submitted and shall be  
 27                    compiled and posted by the commissioner in the same manner.

28                    (2) The commissioner shall compile the aggregated totals for each calendar  
 29                    year submitted and publish the aggregated totals on the Department of Insurance  
 30                    website pursuant to Paragraph (A)(2) of this Section.

1           D.(1) Upon written request of an insurance company, the commissioner may  
2           modify or extend for an additional time period, for good cause shown, the reporting  
3           requirements of this Section. Any modifications or extensions granted by the  
4           commissioner shall be noted on the Department of Insurance website, along with a  
5           projected date of compliance. Good cause may include but is not limited to either  
6           of the following:

7                   (a) The insurance company's limited percentage of the total homeowner's  
8                   insurance market in this state.

9                   (b) The undue burden of compiling and reporting computation, data, and  
10                  other information required by this Section due to the manner, format, or method in  
11                  which the insurance company has stored the computations, data, or other information  
12                  required.

13                  (2) Any insurance company that fails to timely comply with the reporting  
14                  requirements of this Section shall be given notice by the commissioner of the failure  
15                  and provided thirty days to comply. Any insurance company that fails to comply on  
16                  or before the thirtieth day, unless modified or extended by the commissioner, shall  
17                  be fined ten thousand dollars per month by the commissioner until the date of  
18                  compliance. Any funds collected pursuant to this Paragraph shall be deposited into  
19                  the state general fund. These fines shall not be waived or reduced except by an act  
20                  of the legislature.

21                  (3) The commissioner shall waive or modify the reporting requirements of  
22                  this Section if an insurance company meets any of the following criteria:

23                          (a) Does not store the computations, data, or other information required.

24                          (b) Is required to materially upgrade, modify, revise, or reprogram  
25                          computer systems to provide the computations, data, or other information required.

26                          (c) Is required to significantly divert limited resources to provide the  
27                          computations, data, or other information required.

28                  E. Any information reported to the commissioner by an insurer as required  
29                  by this Section shall be treated as confidential. Use of the information is limited  
30                  solely to the purposes authorized in this Section, and the information submitted by

