2020 Regular Session

HOUSE BILL NO. 153

BY REPRESENTATIVE GREEN

INSURANCE/RATES: Provides relative to rate determinations based on risks classified by
the insured's credit information

1   AN ACT

2   To amend and reenact R.S. 22:1454(A) and to repeal Subpart P of Part IV of Chapter 4 of

3   Title 22 of the Louisiana Revised Statutes of 1950, comprised of R.S. 22:1501

4   through 1514, relative to insurance rating standards and methods; to prohibit rate

5   classifications based on an insured's credit information; to remove regulations

6   regarding the use of credit information; and to provide for related matters.

7   Be it enacted by the Legislature of Louisiana:

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

9   §1454. Rating standards and methods

10   A. Rates shall not be inadequate or unfairly discriminatory in a competitive

11   market. Rates shall not be excessive, inadequate, or unfairly discriminatory in a

12   noncompetitive market. Risks may be classified using any criteria except that no

13   risk shall be classified on the basis of race, color, creed, ~~or~~ national origin, or the

14   insured's credit information.

15   *   *   *

16   Section 2. Subpart P of Part IV of Chapter 4 of Title 22 of the Louisiana Revised

17   Statutes of 1950, comprised of R.S. 22:1501 through 1514, is hereby repealed in its entirety.

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored
are additions.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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Abstract: Prohibits risks classifications based on an insured's credit information when determining rates.

Present law prohibits inadequate or unfairly discriminatory rates in a competitive market.

Present law prohibits rates from being excessive, inadequate, or unfairly discriminatory in a noncompetitive market.

Present law authorizes risk classifications based on any criteria except race, color, creed, or national origin.

Proposed law retains present law and further prohibits risk classifications based on a person's credit information.

Present law regulates the use of credit information for personal insurance.

Proposed law repeals present law.

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