

2023 Regular Session

HOUSE BILL NO. 294

BY REPRESENTATIVE WILLARD

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

INSURANCE/PROPERTY: Provides for certain insurance premium discounts

1 AN ACT

2 To amend and reenact R.S. 22:1483(A), (B), and (C)(1), relative to property insurance
3 premium discounts; to provide for certain building standards; to require certain
4 discounts; to provide an option for certain discounts; and to provide for related
5 matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 22:1483(A), (B), and (C)(1) are hereby amended and reenacted to
8 read as follows:

9 §1483. Premium discounts, credits, rate differentials, adjustments in deductibles,
10 and other adjustments for compliance with building codes and for damage
11 mitigation

12 A. Any insurer required to submit rates and rating plans to the commissioner
13 ~~of insurance~~ shall provide an actuarially justified discount, credit, rate differential,
14 adjustment in deductible, or any other adjustment to reduce the insurance premium
15 to insureds who build or retrofit a structure to comply with the requirements of the
16 State Uniform Construction Code or the fortified home or fortified commercial
17 standards created by the Insurance Institute for Business and Home Safety.

18 B.(1) Any insurer required to submit rates and rating plans to the
19 commissioner ~~of insurance~~ shall provide an actuarially justified discount, credit, rate
20 differential, adjustment in deductible, or any other adjustment to reduce the

1 insurance premium to insureds who install mitigation improvements or retrofit their
2 property utilizing construction techniques demonstrated to reduce the amount of loss
3 from a windstorm or hurricane. Such mitigation improvements or construction
4 techniques shall include but not be limited to roof deck attachments; secondary water
5 barriers; roof coverings; brace gable ends; construction techniques which enhance
6 or reinforce roof strength; roof-covering performance; roof-to-wall strength,
7 wall-to-floor-to-foundation strength; opening protection; and window, door, and
8 skylight strength.

9 (2) Any insured who is receiving discounts pursuant to this Subsection may
10 opt to maintain the discounts in lieu of the discounts provided in Subsection C of this
11 Section if the property continues to meet the requirements for such discounts.

12 C.(1) ~~After July 1, 2022, all~~ All insurers required to submit rating plans to
13 the commissioner ~~may, if actuarially justified, provide credits and discounts in~~
14 ~~compliance with~~ shall provide an actuarially justified discount, credit, rate
15 differential, adjustment in deductible, or any other adjustment to reduce the
16 insurance premium charged to any insured who builds or retrofits a structure to
17 comply with the requirements of the fortified home and fortified commercial
18 standards created by the Insurance Institute for Business and Home Safety. ~~Any~~
19 ~~homeowner who is currently receiving discounts pursuant to this Section may opt to~~
20 ~~maintain discounts offered prior to July 1, 2022, if the homeowner continues to meet~~
21 ~~the requirements to maintain such discounts, in lieu of the discount provided in this~~
22 ~~Subsection.~~

23 * * *

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)]

HB 294 Original 2023 Regular Session Willard

Abstract: Provides for insurance premium discounts for insureds who comply with the Insurance Institute for Business and Home Safety (IIBHS).

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

Present law requires that any insurer required to submit rates and rating plans to the commissioner of insurance must provide discounted insurance premiums to an insured who builds or retrofits a structure to comply with the requirements of the State Uniform Construction Code.

Proposed law adds that any insurer required to submit rates and rating plans to the commissioner of insurance must provide discounted insurance premiums an insured who builds or retrofits a structure to comply with the requirements of the fortified home or fortified commercial standards created by the IIBHS.

Proposed law allows an insured to maintain the discounts he is receiving for meeting the requirements of the State Uniform Construction Code or the IIBHS standards.

Present law provides that after July 1, 2022, insurers that are required to submit rating plans may provide credits and discounts for fortified home and commercial standards by IIBHS.

Proposed law changes present law by mandating that all such insurers provide actuarially justified discounts, credits, rate differentials, adjustments in deductible, or other adjustments to insureds who build or retrofit to IIBHS fortified home or commercial standards.

(Amends R.S. 22:1483(A), (B), and (C)(1))