

2023 Regular Session

HOUSE BILL NO. 584

BY REPRESENTATIVE GAROFALO

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

INSURANCE: Suspends the premium surcharge of at least ten percent assessed by the Louisiana Citizens Property Insurance Corporation for policies issued in parishes affected by the 2020 and 2021 hurricanes

1 AN ACT

2 To amend and reenact R.S. 22:2303(D)(1), relative to the Louisiana Citizens Property  
3 Insurance Corporation; to provide for imposition of the minimum ten percent  
4 surcharge on premiums for policies issued by the Corporation; to exclude certain  
5 parishes from imposition of the surcharge for a designated period of time; to provide  
6 for effectiveness; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 22:2303(D)(1) is hereby amended and reenacted to read as follows:

9 §2303. Rates, rating plans, and rate rules applicable

10 \* \* \*

11 D.(1)(a) Notwithstanding the provisions of Paragraph (A)(1) of this Section,  
12 until August 15, 2010, the corporation shall charge the higher of (a) actuarially  
13 justified rates or (b) the highest rates charged among assessable insurers that have  
14 a minimum of two percent of the total direct written premium in each respective  
15 parish for that line of business in the preceding year, or, with respect to personal  
16 lines property insurance, excluding wind and hail policies, only, (c) the highest rates  
17 charged among assessable insurers in each respective parish which in the preceding  
18 year increased by at least twenty-five additional personal lines property insurance  
19 policies, excluding wind and hail policies, in such parish, the total number of such

1 policies in effect for the parish over the year before, in any noncompetitive market  
2 unless competition resumes. If the corporation is writing more than fifty percent of  
3 the residential property insurance business in a market, including wind- and hail-only  
4 coverages, the board of directors shall report that fact to the commissioner of  
5 insurance. Notwithstanding any other provision of law to the contrary, until August  
6 15, 2015, regardless of whether a competitive market may exist, the ten percent rate  
7 in excess of the higher of (a) the actuarially justified rate or (b) the highest rates  
8 charged among assessable insurers that have a minimum of two percent of the total  
9 direct written premium in each respective parish for that line of business in the  
10 preceding year, or, with respect to personal lines property insurance, excluding wind  
11 and hail policies, only, (c) the highest rates charged among assessable insurers in  
12 each respective parish which in the preceding year increased by at least twenty-five  
13 additional personal lines property insurance policies, excluding wind and hail  
14 policies, in such parish, the total number of such policies in effect for the parish over  
15 the year before, as authorized in Subsection A of this Section, shall not apply in St.  
16 Mary Parish and parishes listed in R.S. 40:1730.27(A).

17 (b) Notwithstanding any other provision of law to the contrary, the ten  
18 percent rate in excess of the higher of (a) the actuarially justified rate or (b) the  
19 highest rates charged among assessable insurers that have a minimum of two percent  
20 of the total direct written premium in each respective parish for that line of business  
21 in the preceding year, or, with respect to personal lines property insurance, excluding  
22 wind and hail policies, only, (c) the highest rates charged among assessable insurers  
23 in each respective parish which in the preceding year increased by at least  
24 twenty-five additional personal lines property insurance policies, excluding wind and  
25 hail policies, in such parish, the total number of such policies in effect for the parish  
26 over the year before, as authorized in Subsection A of this Section, does not apply  
27 to the following parishes affected by the 2020 and 2021 hurricanes Laura, Delta,  
28 Zeta, and Ida: Acadia, Allen, Ascension, Assumption, Beauregard, Caddo, Calcasieu,  
29 Caldwell, Cameron, East Baton Rouge, East Feliciana, Grant, Iberia, Iberville,



by at least 25 over the total number of such policies in effect for the parish in the preceding year, excluding wind and hail policies.

Proposed law retains present law but provides that the premium increase of at least 10% provided for in present law (R.S. 22:2303(A)(1)) does not apply to the certain parishes affected by the 2020 and 2021 hurricanes Laura, Delta, Zeta, and Ida.

Proposed law expires on Aug. 15, 2024 at 11:59 p.m.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 22:2303(D)(1))