HLS 10RS-1090 ENGROSSED

Regular Session, 2010

HOUSE BILL NO. 706

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BY REPRESENTATIVE ABRAMSON

INSURANCE/PROPERTY: Provides relative to application to the La. Citizens Property Insurance Corporation for coverage and issuance and renewal of a policy by such corporation

AN ACT

2 To amend and reenact R.S. 22:2302(A), relative to the Louisiana Citizens Property 3 Insurance Corporation; to require such corporation to provide certain information to 4 applicants for coverage; and to provide for related matters. 5 Be it enacted by the Legislature of Louisiana: 6 Section 1. R.S. 22:2302(A) is hereby amended and reenacted to read as follows: 7 §2302. Eligibility; application 8 A. Any person having an insurable interest in insurable property and who has 9 been denied coverage by one or more insurers authorized to write property insurance 10 in this state is entitled to apply to the corporation, directly or through a 11 representative, for such coverage through the Coastal Plan or the FAIR Plan, and for 12 an inspection of the property. Every such application shall be submitted on forms 13 prescribed by the governing board of the corporation and on file with the 14 commissioner of insurance which clearly states that the corporation is an insurer of 15 last resort. Every application form shall require that the applicant disclose each 16 insurance carrier or carriers who denied property insurance coverage to the applicant. 17 Every application form shall: 18 (1) Require a disclosure that the applicant may obtain a list of insurance producers and insurance companies that may be able to write his insurance coverage 19 in the private insurance market. 20

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CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

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1 (2) Include the website address to the Louisiana Department of Insurance
2 where such a list may be obtained.

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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)]

Abramson HB No. 706

Abstract: Requires that certain information be provided upon application forms for coverage by the La. Citizens Property Insurance Corporation.

<u>Proposed law</u> provides that every application form for coverage by the La. Citizens Property Insurance Corporation:

- (1) Require a disclosure that the applicant may obtain a list of insurance producers and insurance companies that may be able to write his insurance coverage in the private insurance market.
- (2) Include the website address to the La. Department of Insurance where such a list may be obtained.

(Amends R.S. 22:2302(A))

Summary of Amendments Adopted by House

Committee Amendments Proposed by <u>House Committee on Insurance</u> to the <u>original</u> bill.

- 1. Deleted requirement that La. Citizens send to an applicant or a renewing policyholder a list of all property insurers who are writing in his parish. Instead requires inclusion of a disclosure and the website address of the Dept. of Insurance on every application form.
- 2. Deleted requirement that La. Citizens send the policyholder a form for his signature offering him the option of being solicited by telephone, mail, or any other means for coverage by any property insurer who is writing in his parish.
- 3. Deleted requirement that the Dept. of Insurance provide a current list of property insurers other than the corporation who are writing in each parish to La. Citizens.