

Regular Session, 2012

SENATE BILL NO. 233

BY SENATOR GARY SMITH

INSURANCE POLICIES. Provides for use of a parish address as the major geographic factor in writing automobile insurance. (8/1/12)

1 AN ACT

2 To enact R.S. 22:1486, relative to automobile insurance; to provide for premiums charged  
3 on insurance policies; to provide for the use of the insured's parish of residence in  
4 formulating a schedule of premiums in certain circumstances; and to provide for  
5 related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 22:1486 is hereby enacted to read as follows:

8 **§1486. Determination of automobile insurance policy rates**

9 **Premiums charged for automobile insurance may not be unreasonable**  
10 **in relation to the benefits provided, the risk experience, and the reasonable**  
11 **expenses of providing the coverage; however, to the extent that any schedule of**  
12 **premium rates for such insurance for individual risks is based in whole or in**  
13 **part on geographical location, the insured's parish of residence shall be utilized**  
14 **as a factor given greater weight than any other method for partitioning the state**  
15 **into geographic subdivisions.**

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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Laura Gail Sullivan.

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DIGEST

Gary Smith (SB 233)

Present law provisions of the Louisiana Insurance Code provide generally for rate-making procedures and the determination of policy premiums for automobile insurance.

Proposed law provides that to the extent a schedule of premium rates for individual automobile insurance is based on geographical location, the parish in which the insured resides shall be utilized as a factor given greater weight than any other method for partitioning the state into geographic subdivisions.

Effective August 1, 2012.

(Adds R.S. 22:1486)