
The legislative instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Cheryl Horne.

CONFERENCE COMMITTEE REPORT DIGEST

Senate Bill No. 204 by Senator Morrish

Keyword and summary of the bill as proposed by the Conference Committee

INSURERS. To provide exemptions applicable to Louisiana Citizens Insurance Corporation. (8/1/12) (gov sig)

Report rejects House amendments which would have:

1. Made technical changes.
2. Required any rate filing by Louisiana Citizens Corporation that would result in a premium increase in excess of 15% over the previous year for any parish to be phased in over a period of years that would reduce the increase to an amount that is no higher than 10% per year.

Report amends the bill to:

1. Extend until August 15, 2015, the provisions in present law with regard to rate increase exemptions for certain coastal parishes.

Digest of the bill as proposed by the Conference Committee

Present law (R.S. 22:2291 et seq.) provides for the La. Citizens Property Insurance Corporation, a nonprofit corporation created for the purposes of discharging certain state obligations.

Present law (R.S. 13:4581) provides that the state, state agencies, political subdivisions, parishes, certain municipal boards or commissions, sheriffs, sheriffs' departments, and law enforcement districts, the La. Insurance Guaranty Association, and the Patient's Compensation Fund are not required to furnish any bond in any judicial proceedings arising from activities within the scope and course of their duties and employment.

Proposed law retains present law and adds La. Citizens Property Insurance Corporation to the exemption.

Proposed law shall be given prospective application and shall not affect any action pending or claim arising prior to the effective date of proposed law.

Present law provides that until August 15, 2011, the 10% rate in excess of the higher of (a) the actuarially justified rate or (b) the highest rates charged among assessable insurers that have a minimum of two percent of the total direct written premium in each respective parish for that line of business in the preceding year, or, with respect to personal lines property insurance, excluding wind and hail policies, only, (c) the highest rates charged among assessable insurers in each respective parish which in the preceding year increased by at least twenty-five additional personal lines property insurance policies, excluding wind and hail policies, in such parish, the total number of such policies in effect for the parish over the year before, as authorized in present law shall not apply in St. Mary Parish and parishes listed in present law.

Proposed law extends the date from August 15, 2011 to August 15, 2015 for the exemption to rates, rating plans and rate rules for St. Mary Parish and other parishes listed in present law.

Effective August 1, 2012.

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

(Amends R.S. 13:4581 and R.S. 22:2303(D)(1))