

## **House Committee on Insurance**

Minutes of Meeting  
2022 Regular Session  
April 6, 2022

### **I. CALL TO ORDER**

Representative Mike Huval, chairman of the House Committee on Insurance, called the meeting to order at 9:38 a.m. in Room 2, in the state capitol in Baton Rouge, Louisiana.

### **II. ROLL CALL**

#### **MEMBERS PRESENT:**

Representative Mike Huval, chairman  
Representative Delisha Boyd  
Representative Chad Brown  
Representative Mary DuBuisson  
Representative Kathy Edmonston  
Representative Michael "Gabe" Firment  
Representative Lawrence "Larry" Frieman  
Representative Cedric B. Glover  
Representative Kyle M. Green, Jr.  
Representative Paul Hollis  
Representative John R. Illg, Jr.  
Representative Edmond Jordan, vice chairman  
Representative Matthew Willard

#### **MEMBERS ABSENT:**

Representative Sherman Q. Mack

#### **STAFF MEMBERS PRESENT:**

Rashida Keith, attorney  
Adam Patrick, attorney  
Alicia Powell, committee administrative assistant

#### **ADDITIONAL ATTENDEES PRESENT:**

Rebecca Marshall, sergeant at arms

### III. DISCUSSION OF LEGISLATION

#### **House Bill No. 83 by Representative Schlegel**

Representative Huval announced that action on House Bill No. 83, which provides relative to homeowner's insurance policies that require a civil authority to prohibit use of the dwelling in order to pay loss of use benefits, was voluntarily deferred.

#### **House Bill No. 682 by Representative Brown**

Representative Huval announced that action on House Bill No. 682, which provides for a claims adjuster database, was voluntarily deferred.

#### **House Bill No. 504 by Representative Illg**

Representative Illg presented House Bill No. 504, which provides relative to health benefit plans and cost-sharing practices.

Jack Duvernay, Louisiana Association of Health Underwriters (LAHU), 714 Millikens Bend, Covington, LA 70433, (504) 512-5252, spoke in support of House Bill No. 504 and provided a handout, Exhibit A, which is included in the committee records.

Kristy Copeland, LAHU, no address provided, (504) 606-0460, spoke in support of House Bill No. 504.

Christian Rhodes, Pharmaceutical Research and Manufacturers of America, 504 Lakeland Drive, Baton Rouge, LA 70802, (225) 802-7567, spoke in opposition to House Bill No. 504.

Kathy Oubre, Pontchartrain Cancer Center, 120 Lakeview Circle, Covington, LA 70433, (985) 373-9055, spoke in opposition to House Bill No. 504 and provided a handout, Exhibit B, which is included in the committee records.

Ashley Castello, Louisiana Hemophilia Foundation, 3084 Westfork Drive, Suite A, Baton Rouge, LA 70816, (225) 291-1675, spoke in opposition to House Bill No. 504.

Representative Huval offered a technical amendment. Representative Huval offered a motion to adopt the proposed amendment. Without objection, the amendment was adopted by a vote of 12 yeas and 0 nays. Representatives Huval, Boyd, Brown, DuBuisson, Edmonston, Firment, Frieman, Glover, Hollis, Illg, Jordan, and Willard voted yea.

Frank Opelka, Louisiana Department of Insurance (LDI), 1702 N. Third Street, Baton Rouge, LA 70802, (225) 342-5900, spoke in support of House Bill No. 504.

Representative Illg offered a motion to voluntarily defer action on House Bill No. 504. Without objection, action on House Bill No. 504 was voluntarily deferred by a vote of 10 yeas and 0 nays. Representatives Huval, Brown, Edmonston, Firment, Frieman, Glover, Hollis, Illg, Jordan, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 13 in support and 1 in opposition. Witness cards are included in the committee records.

Statements submitted in accordance with House Rule 14.33 in lieu of appearing before the committee are as follows: 2 in opposition. Copies of these statements are included in the committee records.

### **House Bill No. 664 by Representative Frieman**

Representative Frieman presented House Bill No. 664, which provides for hearings arising out of matters involving the Louisiana Insurance Code.

Representative Frieman offered amendments to:

- (1) Change the process whereby certain persons aggrieved by the commissioner's decisions can seek appeal from the process pursuant to R.S. 22:2191 et seq. to the process in R. S. 22:691.17.
- (2) Restore R.S. 22:1731(A)(introductory paragraph) in present law.
- (3) Make technical changes.

Representative Frieman offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 10 yeas and 0 nays. Representatives Huval, Boyd, Brown, Edmonston, Firment, Frieman, Glover, Hollis, Jordan, and Willard voted yea.

Tom Travis, LDI, 1702 N. Third Street, Baton Rouge, LA 70802, (225) 342-2136, spoke for information only on House Bill No. 664.

Representative Frieman offered a motion to report House Bill No. 664 with amendments. Without objection, House Bill No. 664 was reported with amendments by a vote of 10 yeas and 0 nays. Representatives Huval, Boyd, Brown, Edmonston, Firment, Frieman, Glover, Hollis, Jordan, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 2 in support. Witness cards are included in the committee records.

**House Bill No. 866 by Representative Frieman**

Representative Frieman presented House Bill No. 866, which provides for minimum capital and surplus requirements for certain domestic insurers.

Representative Frieman offered an amendment to provide that domestic mutual insurers who apply for a certificate of authority after September 1, 2022, which includes homeowners' insurance or fire and allied lines, shall have initial minimum surplus and operating surplus totaling at least \$5,000,000 by December 31, 2026 and have at least \$10,000,000 of minimum surplus and operating surplus by December 31, 2031. Representative Frieman offered a motion to adopt the proposed amendment. Without objection, the amendment was adopted by a vote of 9 yeas and 0 nays. Representatives Huval, Brown, DuBuisson, Edmonston, Firment, Frieman, Glover, Hollis, and Willard voted yea.

Stewart Guerin, LDI, 1702 N. Third Street, Baton Rouge, LA 70802, (225) 219-3929, spoke for information only on House Bill No. 866.

James Donelon, LDI, 1702 N. Third Street, Baton Rouge, LA 70802, (225) 342-7275, spoke in support of House Bill No. 866.

Representative Frieman offered an amendment to change the effective date to January 1, 2023. Representative Frieman offered a motion to adopt the proposed amendment. Without objection, the amendment was adopted by a vote of 10 yeas and 0 nays. Representatives Huval, Brown, Edmonston, Firment, Frieman, Glover, Hollis, Illg, Jordan, and Willard voted yea.

Representative Frieman offered a motion to report House Bill No. 866 with amendments. Without objection, House Bill No. 866 was reported with amendments by a vote of 10 yeas and 0 nays. Representatives Huval, Brown, Edmonston, Firment, Frieman, Glover, Hollis, Illg, Jordan, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 1 in support. Witness cards are included in the committee records.

*Representative Jordan in the chair.*

**House Bill No. 612 by Representative Huval**

Representative Huval presented House Bill No. 612, which provides for the Louisiana Fortify Homes Program.

Julie Shiyou-Woodard, Fortified, 66 Etheridge Street, Mobile, AL 36604, (251) 689-9363, spoke in support of House Bill No. 612.

Tom Travis, LDI, 1702 N. Third Street, Baton Rouge, LA 70802, (225) 342-2136, spoke for information only on House Bill No. 612.

James Donelon, LDI, 1702 N. Third Street, Baton Rouge, LA 70802, (225)342-7275, spoke in support of House Bill No. 612.

Representative Huval offered a motion to report House Bill No. 612 favorably. Without objection, House Bill No. 612 was reported favorably by a vote of 10 yeas and 0 nays. Representatives Huval, Brown, Edmonston, Firment, Frieman, Glover, Hollis, Illg, Jordan, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 4 in support and 1 for information only. Witness cards are included in the committee records.

### **House Bill No. 521 by Representative Huval**

Representative Huval presented House Bill No. 521, which provides for catastrophe response plans.

Representative Huval offered amendments to:

- (1) Provide that insurers are not required to ensure that third-party administrators submit a catastrophe response plan.
- (2) Specify that the alternative office locations or work sites required in a catastrophe response plan are those likely to be used in the event of a catastrophe.
- (3) Specify that the back up, storage, retrieval, and security of records and data required in a catastrophe response plan is relative to information used to adjust claims.
- (4) Specify that a catastrophe response plan shall include procedures to address the relevant training of staff.
- (5) Specify that a catastrophe response plan shall include procedures to address communication with agents, policyholders, and subscribers in the event of mail delivery or other communication system disruption and provide that such communication shall address, at minimum, the process for filing a claim and the method whereby an agent, policyholder, or subscriber can obtain information concerning a claim.
- (6) Specify that a catastrophe response plan shall include procedures to address the distribution of catastrophe claims information to policyholders or subscribers.

- (7) Provide that a catastrophe response plan shall include the methodology for determining the approximate number of field adjusters, desk adjusters, and other administrative personnel necessary to respond to the catastrophe.
- (8) Provide that a catastrophe response plan shall include the methodology for determining the process through which insurers will provide claims and administrative personnel to service policyholder and subscriber needs in a timely manner.
- (9) Provide that a catastrophe response plan shall include the methodology for determining the process through which insurers will provide logistical support for claims and administrative personnel in the area affected by the catastrophe.
- (10) Delete the requirement that a catastrophe response plan include the methodology for determining the process whereby a policyholder can file a claim.
- (11) Delete the requirement that a catastrophe response plan include the methodology for determining the process whereby a policyholder or agent can contact appropriate claims personnel, regarding a claim.
- (12) Delete the requirement that a catastrophe response plan include any other information required by the commissioner.
- (13) Provide that the commissioner may promulgate rules in accordance with the Administrative Procedure Act to implement and enforce the provisions of proposed law.
- (14) Change the effective date from the default effective date to January 1, 2023.

Representative Huval offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 9 yeas and 0 nays. Representatives Huval, Brown, Edmonston, Firment, Frieman, Glover, Hollis, Jordan, and Willard voted yea.

Warren Byrd, LDI, 1702 N. Third Street, Baton Rouge, LA 70802, (225) 342-5203, spoke for information only on House Bill No. 521.

Ben Albright, Independent Insurance Agents and Brokers of Louisiana, 18153 East Petroleum Drive, Baton Rouge, LA 70809, (225) 236-1357, spoke in support of House Bill No. 521.

Representative Jordan offered a motion to report House Bill No. 521 with amendments. Without objection, House Bill No. 521 was reported with amendments by a vote of 10 yeas and 0 nays.

Representatives Huval, Brown, Edmonston, Firment, Frieman, Glover, Hollis, Illg, Jordan, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 4 in support. Witness cards are included in the committee records.

#### **IV. OTHER BUSINESS**

There was no other business.

#### **V. ANNOUNCEMENTS**

There were no announcements.

#### **VI. ADJOURNMENT**

Representative Frieman offered a motion to adjourn. Without objection, the motion passed by a vote of 10 yeas and 0 nays. Representatives Huval, Brown, Edmonston, Firment, Frieman, Glover, Hollis, Illg, Jordan, and Willard voted yea.

The meeting was adjourned at 11:59 a.m.

Respectfully submitted,

Chairman Mike Huval  
House Committee on Insurance

Date adopted: