

House Committee on Insurance

Minutes of Meeting
2022 Regular Session
May 11, 2022

I. CALL TO ORDER

Representative Mike Huval, chairman of the House Committee on Insurance, called the meeting to order at 9:33 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 Sherman Q. Mack
Representative Matthew Willard

MEMBERS ABSENT:

None

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. 351 by Representative Jordan

Representative Jordan presented House Bill No. 351, which prohibits the use of certain rating factors in automobile insurance underwriting.

Eric Poe, CURE Auto Insurance, 214 Carnegie Center, Princeton, NJ 08540, (609) 635-3867, spoke in support of House Bill No. 351.

The committee stood at ease at 10:11 a.m. The committee reconvened at 10:18 a.m.

Eric Holl, Real Reform Louisiana, 640 Lakeland Drive, Baton Rouge, LA 70802, (703) 399-4841, spoke in support of House Bill No. 351.

Caitlin Murray, National Association of Mutual Insurance Companies, 850 S. Gadsden Street, Tallahassee, FL 32301, (850) 491-8424, spoke in opposition to House Bill No. 351.

Kevin Cunningham, American Property Casualty Insurance Association (APCIA), 543 Spanish Town Road, Baton Rouge, LA 70802, (225) 381-0166, spoke in opposition to House Bill No. 351 and provided a handout, Exhibit A, which is included in the committee records.

Rodney Braxton, State Farm, 543 Spanish Town Road, Baton Rouge, LA 70802, (225) 381-0166, spoke in opposition to House Bill No. 351.

Jimmy Ordeneaux, Louisiana Farm Bureau Mutual Insurance Company, 701 Poydras Street, Suite 3800, New Orleans, LA 70139, (504) 586-5272, spoke in opposition to House Bill No. 351.

Jim Donelon, Louisiana Department of Insurance (LDI), 1702 N. Third Street, Baton Rouge, LA 70802, (225) 342-7275, spoke in opposition to House Bill No. 351.

Ben Albright, Independent Insurance Agents and Brokers of Louisiana, 18153 East Petroleum Drive, Baton Rouge, LA 70809, (225) 236-1357, spoke in opposition to House Bill No. 351.

Representative Jordan offered a motion to report House Bill No. 351 favorably, to which Representative Frieman objected. The administrative assistant called the roll, and the motion failed to pass by a vote of 7 yeas and 7 nays. Representatives Boyd, Brown, Glover, Green, Jordan, Mack, and Willard voted yea. Representatives Huval, DuBuisson, Edmonston, Firment, Frieman, Hollis, and Illg voted nay.

Representative Jordan offered a motion to voluntarily defer action on House Bill No. 351. Without objection, action on House Bill No. 351 was voluntarily deferred by a vote of 14 yeas and 0 nays. Representatives Huval, Boyd, Brown, DuBuisson, Edmonston, Firment, Frieman, Glover, Green, Hollis, Illg, Jordan, Mack, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 2 in support and 4 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: 1 in support and 1 in opposition. Copies of these statements are included in the committee records.

Senate Bill No. 209 by Senator Stine

On behalf of Senator Stine, Representative Brown presented Senate Bill No. 209, which authorizes the commissioner of insurance to order certain penalties to persons engaging in an unfair method of competition or an unfair or deceptive act or practice.

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 13 yeas and 0 nays. Representatives Huval, Boyd, Brown, DuBuisson, Edmonston, Firment, Glover, Green, Hollis, Illg, Jordan, Mack, and Willard voted yea.

Representative Brown offered a motion to report Senate Bill No. 209 with amendments. Without objection, Senate Bill No. 209 was reported with amendments by a vote of 11 yeas and 0 nays. Representatives Huval, Boyd, Brown, DuBuisson, Edmonston, Glover, Green, Hollis, Illg, Mack, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 3 in support and 1 in opposition. Witness cards are included in the committee records.

House Bill No. 116 by Representative Robby Carter

Representative Robby Carter presented House Bill No. 116, which provides for the exclusion of advertising expenses in setting rates or making rate filings.

Representative Robby Carter provided a handout, Exhibit B, which is included in the committee records.

Peter Robins-Brown, Louisiana Progress Action, 650 N. Sixth Street, Baton Rouge, LA 70802, (504) 256-8196, spoke in support of House Bill No. 116.

Kevin Cunningham, APCIA, 543 Spanish Town Road, Baton Rouge, LA 70802, (225) 381-0166, spoke in opposition to House Bill No. 116.

Representative Willard offered a motion to report House Bill No. 116 favorably, to which Representative DuBuisson objected. The administrative assistant called the roll, and the motion failed to pass by a vote of 6 yeas and 6 nays. Representatives Boyd, Glover, Green, Jordan, Mack, and Willard voted yea. Representatives Huval, DuBuisson, Edmonston, Firment, Hollis, and Illg voted nay.

Representative Illg offered a motion to voluntarily defer action on House Bill No. 116. Without objection, action on House Bill No. 116 was voluntarily deferred by a vote of 12 yeas and 0 nays. Representatives Huval, Boyd, DuBuisson, Edmonston, Firment, Glover, Green, Hollis, Illg, Jordan, Mack, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 1 in support and 9 in opposition. Witness cards are included in the committee records.

House Bill No. 856 by Representative Geymann

Representative Geymann presented House Bill No. 856, which provides for an appraisal clause in residential property insurance policies.

Representative Firment offered amendments to:

- (1) Amend the appraisal provision to provide that if an insured files a lawsuit relative to his policy prior to a demand for appraisal, the lawsuit will be held in abatement during the period between a timely demand for appraisal and the deadline for execution of an appraisal award.
- (2) Amend the appraisal provision to provide that the court of record in which the property is located may enforce the deadlines in the appraisal clause, set a reasonable deadline for timely demanding appraisal after all parties have filed pleadings, and require compliance with discovery and disclosure obligations relative to aspects of the lawsuit unrelated to the appraisal.
- (3) Make technical changes.

Representative Firment 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, DuBuisson, Edmonston, Firment, Glover, Hollis, Illg, Mack, and Willard voted yea.

Representative Firmert offered a motion to report House Bill No. 856 with amendments. Without objection, House Bill No. 856 was reported with amendments by a vote of 9 yeas and 0 nays. Representatives Huval, DuBuisson, Edmonston, Firmert, Glover, Hollis, Illg, Mack, 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. 539 by Representative Firmert

Representative Firmert presented House Bill No. 539, which provides for property insurance policies.

Representative Firmert offered amendments to:

- (1) Provide that a violation of proposed law shall be considered an unfair trade practice and provide the penalties for violation of proposed law.
- (2) Remove an exception from proposed law for contractors who have a public adjuster license.
- (3) Make technical changes.

Representative Firmert 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, DuBuisson, Edmonston, Firmert, Glover, Green, Hollis, Illg, and Mack voted yea.

Jimmy Ordeneaux, Louisiana Farm Bureau Mutual Insurance Company, 701 Poydras Street, Suite 3800, New Orleans, LA 70139, (504) 586-5272, spoke in opposition to House Bill No. 539.

Representative Firmert offered an amendment to remove provisions of proposed law regarding the adjustment and settlement of first-party loss based on repair or replacement costs. Representative Firmert offered a motion to adopt the proposed amendment. Without objection, the amendment was adopted by a vote of 11 yeas and 0 nays. Representatives Huval, Boyd, DuBuisson, Edmonston, Firmert, Glover, Green, Hollis, Illg, Mack, and Willard voted yea.

Representative Firmert offered a motion to report House Bill No. 539 with amendments. Without objection, House Bill No. 539 was reported with amendments by a vote of 11 yeas and 0 nays. Representatives Huval, Boyd, DuBuisson, Edmonston, Firmert, Glover, Green, Hollis, Illg, Mack, and Willard voted yea.

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

House Bill No. 558 by Representative Willard

Representative Willard presented House Bill No. 558, which provides for claims settlement practices.

Representative Green offered amendments to:

- (1) Restore present law.
- (2) Delete the time frames for determining satisfactory proof of loss in proposed law.
- (3) Require insurers to issue a receipt indicating the dollar amount of insurance settlement proceeds paid under each type of coverage along with the payment in certain circumstances.
- (4) Provide that an insurer may issue separate payments for each type of coverage in lieu of issuing a receipt.
- (5) Make technical changes.

Representative Green offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 11 yeas and 0 nays. Representatives Huval, Boyd, DuBuisson, Edmonston, Firment, Glover, Green, Hollis, Illg, Mack, and Willard voted yea.

Jimmy Ordeneaux, Louisiana Farm Bureau Mutual Insurance Company, 701 Poydras Street, Suite 3800, New Orleans, LA 70139, (504) 586-5272, spoke to withdraw his opposition to House Bill No. 558.

Representative Willard offered a motion to report House Bill No. 558 with amendments. Without objection, House Bill No. 558 was reported with amendments by a vote of 10 yeas and 0 nays. Representatives Huval, Boyd, Edmonston, Firment, Glover, Green, Hollis, Illg, Mack, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 3 in support and 2 in opposition. Witness cards are included in the committee records.

House Bill No. 935 by Representative Boyd

Representative Boyd presented House Bill No. 935, which provides for catastrophe claims adjusters.

Representative Boyd offered amendments to:

- (1) Restore present law.
- (2) Provide that the commissioner shall prepare a handbook for adjusting claims in this state and make it available to catastrophe claims adjusters.
- (3) Provide that a catastrophe claims adjusters shall certify that he has read and understands the handbook within 10 days of registration.
- (4) Provide that an insurer employing or retaining a catastrophe claims adjuster shall keep its certifications in its records and make them available to the commissioner upon request.
- (5) Makes proposed law effective on January 1, 2023.
- (6) Make technical changes.

Matt Stewart, LDI, 1702 N. Third Street, Baton Rouge, LA 70802, (225) 219-5941, spoke for information only on House Bill No. 935.

Representative Boyd offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 12 yeas and 0 nays. Representatives Huval, Boyd, Brown, DuBuisson, Edmonston, Firment, Glover, Green, Hollis, Illg, Mack, and Willard voted yea.

Jimmy Ordeneaux, Louisiana Farm Bureau Mutual Insurance Company, 701 Poydras Street, Suite 3800, New Orleans, LA 70139, (504) 586-5272, spoke for information only on House Bill No. 935.

Representative Boyd offered a motion to report House Bill No. 935 with amendments. Without objection, House Bill No. 935 was reported with amendments by a vote of 12 yeas and 0 nays. Representatives Huval, Boyd, Brown, DuBuisson, Edmonston, Firment, Glover, Green, Hollis, Illg, Mack, and Willard voted yea.

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

Senate Bill No. 141 by Senator Morris

Senator Morris presented Senate Bill No. 141, which prohibits insurance companies from requiring a person or business to have a certain vaccination status or requiring information from an applicant or policyholder regarding vaccination status.

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 11 yeas and 0 nays. Representatives Huval, Boyd, DuBuisson, Edmonston, Firment, Glover, Green, Hollis, Illg, Mack, and Willard voted yea.

Representative Illg offered amendments to:

- (1) Add that proposed law does not prohibit an insurer from incentivizing or rewarding an individual, family member, or business for voluntarily submitting vaccination status with respect to a wellness or health improvement program as provided for in present law.
- (2) Make technical changes.

Representative Illg 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, DuBuisson, Edmonston, Firment, Glover, Green, Illg, Mack, and Willard voted yea.

Kevin Cunningham, APCIA, 543 Spanish Town Road, Baton Rouge, LA 70802, (225) 381-0166, spoke in opposition to Senate Bill No. 141.

Representative Brown in the chair.

Representative Huval in the chair.

Representative Edmonston offered a motion to report Senate Bill No. 141 with amendments. Without objection, Senate Bill No. 141 was reported with amendments by a vote of 13 yeas and 0 nays. Representatives Huval, Brown, DuBuisson, Edmonston, Firment, Frieman, Glover, Green, Hollis, Illg, Jordan, Mack, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 11 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: 3 in support. Copies of these statements are included in the committee records.

IV. OTHER BUSINESS

There was no other business.

V. ANNOUNCEMENTS

There were no announcements.

VI. ADJOURNMENT

Representative Illg offered a motion to adjourn. Without objection, the motion passed by a vote of 13 yeas and 0 nays. Representatives Huval, Brown, DuBuisson, Edmonston, Firment, Frieman, Glover, Green, Hollis, Illg, Jordan, Mack, and Willard voted yea.

The meeting was adjourned at 12:47 p.m.

Respectfully submitted,

Chairman Mike Huval
House Committee on Insurance

Date adopted: