

House Committee on Insurance

Minutes of Meeting
2024 Regular Session
March 21, 2024

I. CALL TO ORDER

Representative Michael "Gabe" Firment, chairman of the House Committee on Insurance, called the meeting to order at 9:17 a.m. in Room 3, in the state capitol in Baton Rouge, Louisiana.

II. ROLL CALL

MEMBERS PRESENT:

Representative Michael "Gabe" Firment, chairman
Representative Lawrence A. "Larry" Bagley
Representative Dennis Bamburg, Jr.
Representative Jacob Braud
Representative Chad Brown, vice chairman
Representative Aimee Adatto Freeman
Representative Jack "Jay" William Gallé, Jr.
Representative Brian Leonard Glorioso
Representative Kyle M. Green, Jr.
Representative Troy Jude Hebert
Representative Chance Keith Henry
Representative John R. Illg, Jr.
Representative Michael T. Johnson
Representative Edmond Jordan
Representative Mandie Landry
Representative Shaun Raphael Mena
Representative Tammy T. Phelps
Representative Roger William Wilder, III
Representative Matthew Willard

MEMBERS ABSENT:

None

STAFF MEMBERS PRESENT:

Rashida Keith, attorney
Alicia Powell, committee administrative assistant

ADDITIONAL ATTENDEES PRESENT:

Rebecca Marshall, sergeant at arms
Stephen Louis, sergeant at arms

III. DISCUSSION OF LEGISLATION**House Bill No. 609 by Representative Firment**

Representative Firment announced that action on House Bill No. 609, which provides for the appraisal process and employment of umpires, was voluntarily deferred.

The committee stood at ease at 9:24 a.m. The committee reconvened at 9:30 a.m.

House Bill No. 120 by Representative Willard

Representative Willard presented House Bill No. 120, which repeals the termination date relative to the Louisiana Fortify Homes Program.

Tim Temple, Louisiana Department of Insurance (LDI), 1702 N. Third St., Baton Rouge, LA 70802, spoke in support of House Bill No. 120.

Kellen Mathews, State Farm Insurance Company, 450 Laurel St., Ste. 1900, Baton Rouge, LA 70801, spoke in support of House Bill No. 120.

Adam Ducote, Virgil Strategies, 4505 S. Claiborne Ave., New Orleans, LA 70125, spoke in support of House Bill No. 120.

Charles Cicero, 201 St. Charles Ave., Ste. 2500, New Orleans, LA 70130, spoke in support of House Bill No. 120.

Representative Illg offered a motion to report House Bill No. 120 favorably. Without objection, House Bill No. 120 was reported favorably by a vote of 19 yeas and 0 nays. Representatives Firment, Bagley, Bamberg, Braud, Brown, Freeman, Galle, Glorioso, Green, Hebert, Henry, Illg, Mike Johnson, Jordan, Mandie Landry, Mena, Phelps, Wilder, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 16 in support. Witness cards are included in the committee records.

Prepared statements were received via email for House Bill No. 120 pursuant to House Rule 14.33.

House Bill No. 257 by Representative Mandie Landry

Representative Mandie Landry presented House Bill No. 257, which provides penalties for failure to comply with certain directives issued by the commissioner of insurance.

Nina Hunter, LDI, 1702 N. Third St., Baton Rouge, LA 70802, spoke for information only on House Bill No. 257.

Chaz Cicero, 201 St. Charles Ave., Ste. 2500, New Orleans, LA 70130, spoke in support of House Bill No. 257.

Representative Freeman offered a motion to report House Bill No. 257 favorably. Without objection, House Bill No. 257 was reported favorably by a vote of 19 yeas and 0 nays. Representatives Firmant, Bagley, Bamburg, Braud, Brown, Freeman, Galle, Glorioso, Green, Hebert, Henry, Illg, Mike Johnson, Jordan, Mandie Landry, Mena, Phelps, Wilder, and Willard voted yeas.

Witness cards submitted by individuals who did not speak are as follows: 8 in support. Witness cards are included in the committee records.

Vice Chairman Brown in the chair.

House Bill No. 611 by Representative Firmant

Representative Firmant presented House Bill No. 611, which provides relative to homeowners' insurance and termination of certain policies.

Representative Brown offered a technical amendment. Representative Brown offered a motion to adopt the proposed amendment. Without objection, the amendment was adopted by a vote of 19 yeas and 0 nays. Representatives Firmant, Bagley, Bamburg, Braud, Brown, Freeman, Galle, Glorioso, Green, Hebert, Henry, Illg, Mike Johnson, Jordan, Mandie Landry, Mena, Phelps, Wilder, and Willard voted yeas.

Representative Firmant offered amendments to:

- (1) Prohibit an insurer from charging a homeowners' policy deductible that exceeds 5% of a dwelling's replacement cost value, unless the insured requests otherwise; and
- (2) Make technical changes.

Tim Temple, LDI, 1702 N. Third St., Baton Rouge, LA 70802, spoke in support of House Bill No. 611.

Adam Patrick, LDI, 1702 N. Third St., Baton Rouge, LA 70802, spoke for information only on House Bill No. 611.

Representative Firmont offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 19 yeas and 0 nays. Representatives Firmont, Bagley, Bamburg, Braud, Brown, Freeman, Galle, Glorioso, Green, Hebert, Henry, Illg, Mike Johnson, Jordan, Mandie Landry, Mena, Phelps, Wilder, and Willard voted yea.

Representative Firmont offered amendments to:

- (1) Authorize an insurer to file a plan with the commissioner to nonrenew up to 5 % of its customers' policies per calendar year for any reason, provided that no more than 5% of the insurer's policies in any one parish are included in the plan. Require the commissioner's approval of an insurer's request to nonrenew more than 5% of the policies in a given calendar year;
- (2) Provide that an insurer's plan and request is proprietary or trade secret information in accordance with present law;
- (3) Require the commissioner to adopt regulations in accordance with the APA setting forth requirements for the plan and request;
- (4) Provide an effective date of Jan. 1, 2025, except for R.S. 22:1265(K), which becomes effective upon signature of the governor or lapse of time for gubernatorial action, or upon subsequent approval of the legislature; and
- (5) Make technical changes.

Representative Firmont offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 19 yeas and 0 nays. Representatives Firmont, Bagley, Bamburg, Braud, Brown, Freeman, Galle, Glorioso, Green, Hebert, Henry, Illg, Mike Johnson, Jordan, Mandie Landry, Mena, Phelps, Wilder, and Willard voted yea.

Representative Glorioso offered a motion to invoke the three-minute rule, to which Representative Jordan objected. The administrative assistant called the roll, and the motion passed by a vote of 10 yeas and 9 nays. Representatives Firmont, Bagley, Bamburg, Brown, Galle, Glorioso, Hebert, Henry, Mike Johnson, and Wilder voted yea. Representatives Braud, Freeman, Green, Illg, Jordan, Mandie Landry, Mena, Phelps, and Willard voted nay.

Jimmy Ordeneaux, Louisiana Farm Bureau Insurance Company, 701 Poydras St., Ste. 3800, New Orleans, LA 70139, spoke in support of House Bill No. 611.

Kellen Mathews, State Farm Insurance Company, 450 Laurel St., Ste. 1900, Baton Rouge, LA 70801, spoke in support of House Bill No. 611.

Noel Bunol, Gulf States Insurance Group, 1201 Camellia Blvd., Ste. 201, Lafayette, LA 70508, spoke in support of House Bill No. 611.

Ben Albright, Independent Insurance Agents and Brokers of Louisiana, 18153 E. Petroleum Dr., Baton Rouge, LA 70809, spoke in support of House Bill No. 611.

Tom Clark, Allstate Insurance Company, 301 Main St., Ste. 2300, Baton Rouge, LA 70801, spoke in support of House Bill No. 611.

Warren Byrd, 998 Stanford Ave., Baton Rouge, LA 70808, spoke in opposition to House Bill No. 611.

Ben Riggs, Real Reform Louisiana, 1717 Perkins Rd., Baton Rouge, LA 70808, spoke in opposition to House Bill No. 611.

Chaz Cicero, 201 St. Charles Ave., Ste. 2500, New Orleans, LA 70130, spoke in opposition to House Bill No. 611.

Representative Illg offered a motion to report House Bill No. 611 with amendments, to which Representative Mena objected. The administrative assistant called the roll, and House Bill No. 611 was reported with amendments by a vote of 12 yeas and 7 nays. Representatives Firmont, Bagley, Bamburg, Brown, Freeman, Galle, Glorioso, Hebert, Henry, Illg, Mike Johnson, and Wilder voted yea. Representatives Braud, Green, Jordan, Mandie Landry, Mena, Phelps, and Willard voted nay.

Witness cards submitted by individuals who did not speak are as follows: 27 in support. Witness cards are included in the committee records.

Prepared statements were received via email for House Bill No. 611 pursuant to House Rule 14.33.

Chairman Firmont in the chair.

House Bill No. 337 by Representative McFarland

Representative McFarland presented House Bill No. 337, which provides relative to direct action against an insurer.

Representative Firmont offered an amendment to make technical changes. Representative Firmont offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 16 yeas and 0 nays. Representatives Firmont, Bagley, Bamburg, Braud, Brown,

Glorioso, Green, Hebert, Henry, Illg, Mike Johnson, Jordan, Mandie Landry, Mena, Phelps, and Wilder voted yea.

Representative Glorioso offered amendments to:

- (1) Reference persons listed in present law (Civil Code Arts. 2315.1 and 2315.2) who can file a survival or wrongful death action against an insured or insurer;
- (2) Change present law language from an insured being adjudged bankrupt to an insured who files for bankruptcy;
- (3) Prohibit the name of an insurer from inclusion in the caption of an action brought against the insurer. Further requires the action to be captioned only against the insured defendant or other defendants;
- (4) Prohibit a court from disclosing the existence of insurance coverage to a jury or mentioning coverage in the jury's presence, unless otherwise expressly provided for by law;
- (5) Authorize a court to dismiss the action of any insured or other defendant if the action cannot proceed due to the insured's insolvency or other circumstances described in present and proposed law (R.S. 22:1269(B)(1)); and
- (6) Make technical changes.

Representative Glorioso offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 16 yeas and 0 nays. Representatives Firment, Bagley, Bamberg, Braud, Brown, Galle, Glorioso, Green, Hebert, Illg, Mike Johnson, Jordan, Mandie Landry, Mena, Phelps, and Wilder voted yea.

Skip Philips, Louisiana Association of Business and Industry, 500 Main St, Baton Rouge, LA 70801, spoke in support of House Bill No. 337.

Cynthia Collins, Grant Eastern Construction Company, P.O. Box 156, Bentley, LA 71407, spoke in support of House Bill No. 337.

Matthew Byrd, Gray Insurance Company, 3601 N. Interstate 10 Service Rd. W., Metairie, LA 70002, spoke in support of House Bill No. 337.

Debra Dow, 9771 E. Swingalong Ave., Baton Rouge, LA 70814, spoke in opposition to House Bill No. 337.

Chaz Cicero, 201 St. Charles Ave., Ste. 2500, New Orleans, LA 70130, spoke in opposition to House Bill No. 337.

Representative Jordan offered amendments originating in committee. After discussion, Representative Jordan withdrew the amendments. No vote was taken.

Representative Illg offered a motion to report House Bill No. 337 with amendments, to which Representative Green objected. The administrative assistant called the roll, and House Bill No. 337 was reported with amendments by a vote of 11 yeas and 7 nays. Representatives Firment, Bagley, Bamburg, Braud, Freeman, Galle, Hebert, Henry, Illg, Mike Johnson, and Wilder voted yea. Representatives Brown, Green, Jordan, Mandie Landry, Mena, Phelps, and Willard voted nay.

Witness cards submitted by individuals who did not speak are as follows: 35 in support and 2 in opposition. Witness cards are included in the committee records.

Prepared statements were received via email for House Bill No. 337 pursuant to House Rule 14.33.

Vice Chairman Brown in the chair.

House Bill No. 613 by Representative Firment

Representative Firment presented House Bill No. 613, which provides relative to the ratemaking system utilized by insurers and rating organizations relative to rate filings.

Representative Firment offered amendments to:

- (1) Apply proposed law to all lines of property and casualty insurance; and
- (2) Make technical changes.

Representative Firment offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 15 yeas and 0 nays. Representatives Firment, Bagley, Bamburg, Brown, Freeman, Galle, Green, Hebert, Henry, Illg, Mike Johnson, Mandie Landry, Mena, Phelps, and Willard voted yea.

Representative Firment offered amendments to make technical changes. Representative Firment offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 15 yeas and 0 nays. Representatives Firment, Bagley, Bamburg, Brown, Freeman, Galle, Green, Hebert, Henry, Illg, Mike Johnson, Mandie Landry, Mena, Phelps, and Willard voted yea.

Tim Temple, LDI, 1702 N. Third St., Baton Rouge, LA 70802, spoke in support of House Bill No. 613.

Nichole Torblaa, LDI, 1702 N. Third St., Baton Rouge, LA 70802, spoke for information only on House Bill No. 613.

Warren Byrd, 998 Stanford Ave., Baton Rouge, LA 70808, spoke in opposition to House Bill No. 613.

Representative Brown offered a motion to report House Bill No. 613 with amendments. Without objection, House Bill No. 613 was reported with amendments by a vote of 18 yeas and 0 nays. Representatives Firment, Bagley, Bamburg, Braud, Brown, Freeman, Galle, Glorioso, Green, Hebert, Henry, Illg, Mike Johnson, Mandie Landry, Mena, Phelps, Wilder, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 30 in support, 1 in opposition, and 2 for information only. Witness cards are included in the committee records.

Prepared statements were received via email for House Bill No. 613 pursuant to House Rule 14.33.

House Bill No. 520 by Representative Firment

Representative Firment presented House Bill No. 520, which provides for unfair or deceptive trade practices relative to reports of adjusters.

Representative Brown offered amendments to:

- (1) Delete proposed law relative to adjusters' reports, records of alterations, and retention of records, as unfair or deceptive practices; and
- (2) Add an insurer's failure to give a requesting insured the original field adjuster's repair estimate, and failure to identify the person who made any revisions, as unfair claims settlement practices.

Representative Brown offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 17 yeas and 0 nays. Representatives Firment, Bagley, Bamburg, Braud, Brown, Freeman, Galle, Glorioso, Hebert, Henry, Illg, Mike Johnson, Mandie Landry, Mena, Phelps, Wilder, and Willard voted yea.

Jimmy Ordeneaux, Louisiana Farm Bureau Insurance Company, 701 Poydras St., Ste. 3800, New Orleans, LA 70139, spoke in support of House Bill No. 520.

Representative Brown offered a motion to report House Bill No. 520 with amendments. Without objection, House Bill No. 520 was reported with amendments by a vote of 16 yeas and 0 nays. Representatives Firment, Bagley, Bamburg, Braud, Brown, Freeman, Galle, Glorioso, Hebert, Henry, Illg, Mike Johnson, Mandie Landry, Mena, Phelps, and Wilder voted yea.

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

Prepared statements were received via email for House Bill No. 520 pursuant to House Rule 14.33.

House Bill No. 656 by Representative Mena

Representative Mena offered a motion to voluntarily defer action on House Bill No. 656, which provides relative to first-party property damage claims. Without objection, action on House Bill No. 656 was voluntarily deferred by a vote of 16 yeas and 0 nays. Representatives Firment, Bagley, Bamburg, Braud, Brown, Freeman, Galle, Glorioso, Hebert, Henry, Illg, Mike Johnson, Mandie Landry, Mena, Phelps, and Wilder voted yea.

Witness cards submitted by individuals who did not speak are as follows: 1 in support and 15 in opposition. Witness cards are included in the committee records.

Further action was taken by the committee on House Bill No. 656 on March 27, 2024. Please check for the subsequent action to complete the record of discussion and motions on House Bill No. 656.

IV. OTHER BUSINESS

The minutes from the 2023 Regular Session dated April 20, April 26, May 2, May 10, May 16, and May 31 were presented to the committee for approval. Representative Illg offered a motion to approve the minutes. Without objection, the minutes were approved by a vote of 18 yeas and 0 nays. Representatives Firment, Bagley, Bamburg, Braud, Brown, Freeman, Galle, Glorioso, Green, Hebert, Henry, Illg, Mike Johnson, Jordan, Mandie Landry, Mena, Wilder, and Willard voted yea.

Representative Henry offered a motion to adopt the committee rules. Without objection, the committee rules were adopted by a vote of 18 yeas and 0 nays. Representatives Firment, Bagley, Bamburg, Braud, Brown, Freeman, Galle, Glorioso, Green, Hebert, Henry, Illg, Mike Johnson, Jordan, Mandie Landry, Mena, Wilder, and Willard voted yea.

V. ANNOUNCEMENTS

There were no announcements.

VI. ADJOURNMENT

Representative Brown offered a motion to adjourn. Without objection, the motion passed by a vote of 16 yeas and 0 nays. Representatives Firment, Bagley, Bamberg, Braud, Brown, Freeman, Galle, Glorioso, Hebert, Henry, Illg, Mike Johnson, Mandie Landry, Mena, Phelps, and Wilder voted yea.

The meeting was adjourned at 2:01 p.m.

Respectfully submitted,

Chairman Michael "Gabe" Firment
House Committee on Insurance

Date adopted: September 6, 2024