

House Committee on Insurance

Minutes of Meeting
2024 Regular Session
March 27, 2024

I. CALL TO ORDER

Representative Michael "Gabe" Firment, chairman of the House Committee on Insurance, called the meeting to order at 9:14 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 Roger William Wilder, III
Representative Matthew Willard

MEMBERS ABSENT:

Representative Tammy T. Phelps

STAFF MEMBERS PRESENT:

Rashida Keith, attorney
Alicia Powell, committee administrative assistant

ADDITIONAL ATTENDEES PRESENT:

Vivian Hurst, sergeant at arms
Ralph Palmer, sergeant at arms

III. DISCUSSION OF LEGISLATION**House Bill No. 678 by Representative Firment**

Representative Firment announced that action on House Bill No. 678, which provides relative to fair claims settlement practices, was voluntarily deferred.

Representative Jordan in the chair.

House Bill No. 75 by Representative Beullieu

Representative Beullieu presented House Bill No. 75, which provides qualifications for title insurance producers.

Representative Illg offered a motion to report House Bill No. 75 favorably. Without objection, House Bill No. 75 was reported favorably by a vote of 11 yeas and 0 nays. Representatives Bamburg, Braud, Galle, Glorioso, Hebert, Henry, Illg, Jordan, Mandie Landry, Wilder, and Willard voted yea.

House Bill No. 144 by Representative Glorioso

Representative Glorioso presented House Bill No. 144, which prohibits issuance of property insurance policies relative to unimproved land and replacement costs of improvements on immovable property.

Chairman Firment in the chair.

Representative Firment offered a technical amendment. Representative Firment offered a motion to adopt the proposed amendment. Without objection, the amendment was adopted by a vote of 13 yeas and 0 nays. Representatives Firment, Bamburg, Braud, Freeman, Galle, Glorioso, Hebert, Henry, Illg, Jordan, Mandie Landry, Wilder, and Willard voted yea.

Representative Illg offered a motion to report House Bill No. 144 with amendments. Without objection, House Bill No. 144 was reported with amendments by a vote of 13 yeas and 0 nays. Representatives Firment, Bamburg, Braud, Freeman, Galle, Glorioso, Hebert, Henry, Illg, Jordan, Mandie Landry, Wilder, 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. 375 by Representative Mandie Landry

Representative Mandie Landry presented House Bill No. 375, which requires disclosure of available discounts relative to homeowners' and motor vehicle liability insurance policies.

Representative Henry offered amendments to:

- (1) Specify that the disclosure requirement applies to insurers writing homeowners' or private passenger motor vehicle insurance policies;
- (2) Provide that an insurer's failure to comply with the disclosure requirement does not create an independent cause of action; and
- (3) Make technical changes.

Representative Henry offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 13 yeas and 0 nays. Representatives Firment, Bamburg, Braud, Freeman, Galle, Hebert, Henry, Illg, Jordan, Mandie Landry, Mena, Wilder, and Willard voted yea.

Hilary Segura, American Property Casualty Insurance Association (APCIA), 8700 West Bryn Mawr Ave., Ste. 1200S, Chicago, IL 60631, spoke in opposition to House Bill No. 375.

Jimmy Ordeneaux, Louisiana Farm Bureau Insurance Company, 701 Poydras St., Ste. 3800, New Orleans, LA 70139, spoke in opposition to House Bill No. 375.

Representative Bagley offered a motion to report House Bill No. 375 with amendments. Without objection, House Bill No. 375 was reported with amendments by a vote of 15 yeas and 0 nays. Representatives Firment, Bagley, Bamburg, Braud, Freeman, Galle, Glorioso, Hebert, Henry, Illg, Mike Johnson, Mandie Landry, Mena, Wilder, and Willard voted yea.

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

The committee stood at ease at 9:38 a.m. The committee reconvened at 9:39 a.m.

House Bill No. 587 by Representative Bryant

Representative Bryant presented House Bill No. 587, which provides relative to liability insurance for arborists.

Representative Firmert offered a technical amendment. Representative Firmert offered a motion to adopt the proposed amendment. Without objection, the amendment was adopted by a vote of 15 yeas and 0 nays. Representatives Firmert, Bagley, Bamburg, Braud, Freeman, Galle, Glorioso, Hebert, Henry, Illg, Jordan, Mandie Landry, Mena, Wilder, and Willard voted yea.

Representative Jordan offered amendments to:

- (1) Authorize the commissioner of insurance to assess a penalty not in excess of \$1,000 against any person who submits a false application to an insurer; and
- (2) Make technical changes.

Representative Jordan offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 12 yeas and 0 nays. Representatives Firmert, Bamburg, Galle, Glorioso, Hebert, Henry, Illg, Mike Johnson, Jordan, Mena, Wilder, and Willard voted yea.

Jimmy Ordeneaux, Louisiana Farm Bureau Insurance Company, 701 Poydras St., Ste. 3800, New Orleans, LA 70139, spoke in opposition to House Bill No. 587.

Kevin Cunningham, APCIA, 543 Spanish Town Rd., Baton Rouge, LA 70802, spoke in opposition to House Bill No. 587.

Ben Albright, Independent Insurance Agents and Brokers of Louisiana, 18153 E. Petroleum Dr., Baton Rouge, LA 70809, spoke in opposition to House Bill No. 587.

Representative Jordan offered a motion to report House Bill No. 587 with amendments, with recommendation that it be recommitted to the House Committee on Agriculture. Without objection, House Bill No. 587 was reported with amendments with recommendation that it be recommitted to the House Committee on Agriculture by a vote of 13 yeas and 0 nays. Representatives Firmert, Bamburg, Braud, Galle, Glorioso, Green, Hebert, Henry, Illg, Mike Johnson, Jordan, Mena, and Wilder voted yea.

House Bill No. 510 by Representative Glorioso

Representative Glorioso presented House Bill No. 510, which provides relative to mandatory binding arbitration with respect to property insurance policies.

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 12 yeas and 0 nays. Representatives Firment, Bamburg, Braud, Galle, Glorioso, Green, Hebert, Illg, Mike Johnson, Jordan, Mena, and Wilder voted yea.

Representative Firment offered an amendment to add that proposed law does not apply to surplus lines insurers or otherwise restrict or prohibit the use of mandatory arbitration provisions by surplus lines insurers. Representative Firment offered a motion to adopt the proposed amendment. Without objection, the amendment was adopted by a vote of 12 yeas and 0 nays. Representatives Firment, Bamburg, Braud, Galle, Glorioso, Green, Hebert, Illg, Mike Johnson, Jordan, Mena, and Wilder voted yea.

Representative Glorioso offered an amendment originating in committee. Representative Glorioso offered a motion to adopt the proposed amendment. Without objection, the amendment was adopted by a vote of 12 yeas and 0 nays. Representatives Firment, Bamburg, Braud, Galle, Glorioso, Green, Hebert, Illg, Mike Johnson, Jordan, Mena, and Wilder voted yea.

Representative Mike Johnson offered a motion to report House Bill No. 510 with amendments. Without objection, House Bill No. 510 was reported with amendments by a vote of 15 yeas and 0 nays. Representatives Firment, Bagley, Bamburg, Braud, Brown, Galle, Glorioso, Green, Hebert, Illg, Mike Johnson, Jordan, Mena, Wilder, 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. 656 by Representative Mena

Representative Mena presented House Bill No. 656, which provides relative to first-party property damage claims.

Representative Firment offered a technical amendment. Representative Firment offered a motion to adopt the proposed amendment. Without objection, the amendment was adopted by a vote of 14 yeas and 0 nays. Representatives Firment, Bagley, Bamburg, Braud, Brown, Galle, Glorioso, Green, Hebert, Mike Johnson, Jordan, Mena, Wilder, and Willard voted yea.

Ben Riggs, Real Reform Louisiana, 1717 Perkins Rd., Baton Rouge, LA 70808, spoke in support of House Bill No. 656.

Kellen Mathews, State Farm Insurance Company, 450 Laurel St., Ste. 1900, Baton Rouge, LA 70801, spoke in opposition to House Bill No. 656.

Jimmy Ordeneaux, Louisiana Farm Bureau Insurance Company, 701 Poydras St., Ste. 3800, New Orleans, LA 70139, spoke in opposition to House Bill No. 656.

Vice Chairman Brown in the chair.

Tom Clark, Allstate Insurance Company, 301 Main St., Ste. 2300, Baton Rouge, LA 70801, spoke in opposition to House Bill No. 656.

Kevin Cunningham, APCIA, 543 Spanish Town Rd., Baton Rouge, LA 70802, spoke in opposition to House Bill No. 656.

Chairman Firmment in the chair.

Representative Jordan offered a motion to report House Bill No. 656 with amendments, to which Representative Henry objected. The administrative assistant called the roll, and the motion failed to pass by a vote of 8 yeas and 8 nays. Representatives Braud, Freeman, Green, Illg, Mike Johnson, Jordan, Mena, and Willard voted yea. Representatives Firmment, Bagley, Bamburg, Galle, Glorioso, Hebert, Henry, and Wilder voted nay.

Witness cards submitted by individuals who did not speak are as follows: 1 in support and 8 in opposition. Witness cards are included in the committee records.

House Bill No. 701 by Representative Carver

Representative Carver presented House Bill No. 701, which creates the Insurance Regulatory Sandbox Act.

Representative Firmment offered amendments to make technical changes. Representative Firmment offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 15 yeas and 0 nays. Representatives Firmment, Bagley, Bamburg, Braud, Freeman, Galle, Glorioso, Green, Henry, Illg, Mike Johnson, Jordan, Mena, Wilder, and Willard voted yea.

Adam Patrick, Louisiana Department of Insurance (LDI), 1702 N. Third St., Baton Rouge, LA 70802, spoke for information only on House Bill No. 701.

Erin Bendily, Pelican Institute, 400 Poydras St., Ste. 900, New Orleans, LA 70130, spoke in support for House Bill No. 701.

Representative Glorioso offered a motion to report House Bill No. 701 with amendments. Without objection, House Bill No. 701 was reported with amendments by a vote of 15 yeas and 0 nays.

Representatives Firment, Bagley, Bamburg, Braud, Brown, Galle, Glorioso, Hebert, Henry, Mike Johnson, Jordan, Mandie Landry, Mena, Wilder, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 14 in support. Witness cards are included in the committee records.

Vice Chairman Brown in the chair.

House Bill No. 609 by Representative Firment

Representative Firment presented House Bill No. 609, which provides for the appraisal process and employment of umpires.

Representative Brown offered amendments to make technical changes. 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, Green, Hebert, Henry, Mike Johnson, Jordan, Mandie Landry, Mena, Wilder, and Willard voted yea.

Representative Firment offered amendments to:

- (1) Authorize a person aggrieved by a decision, act, or order of the commissioner to demand a hearing in accordance with the APA;
- (2) Provide that proposed law does not authorize the commissioner to regulate the practice of law;
- (3) Remove the option for a judge to select an umpire from the list maintained by the commissioner. Require a judge to select an umpire qualified by proposed law;
- (4) Clarify proposed law to provide that if appraisers do not agree to an umpire from the umpire selection panel, each appraiser may object and may agree, in writing, to the commissioner selecting an umpire from the umpire selection panel using a random selection method. Further provide that if the appraisers do not both agree in writing to that selection, a judge will appoint the umpire; and
- (5) Remove references to the commissioner's authority to appoint umpires.

Representative Firment 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, Bamburg, Braud, Brown, Freeman, Galle, Glorioso, Green, Hebert, Henry, Mike Johnson, Jordan, Mandie Landry, Mena, Wilder, and Willard voted yea.

Representative Firment offered amendments to add a list of conflicts of interest that would disqualify an appraiser. Representative Firment 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, Bamburg, Braud, Brown, Freeman, Galle, Glorioso, Green, Hebert, Henry, Illg, Mike Johnson, Jordan, Mandie Landry, Mena, Wilder, and Willard voted yea.

Adam Patrick, LDI, 1702 N. Third St., Baton Rouge, LA 70802, spoke for information only on House Bill No. 609.

Representative Firment offered a motion to report House Bill No. 609 with amendments. Without objection, House Bill No. 609 was reported with amendments by a vote of 15 yeas and 0 nays. Representatives Firment, Bagley, Bamburg, Braud, Brown, Freeman, Galle, Glorioso, Hebert, Henry, Mike Johnson, Mandie Landry, Mena, Wilder, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 13 in support and 1 for information only. 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 Firment offered a motion to adjourn. Without objection, the motion passed by a vote of 15 yeas and 0 nays. Representatives Firment, Bagley, Bamburg, Braud, Brown, Freeman, Galle, Glorioso, Hebert, Henry, Mike Johnson, Mandie Landry, Mena, Wilder, and Willard voted yea.

The meeting was adjourned at 12:10 p.m.

Respectfully submitted,

Chairman Michael "Gabe" Firment
House Committee on Insurance

Date adopted: September 6, 2024