

POTPOURRI

Department of Insurance

Office of the Commissioner

Public Hearing—Substantive Changes to Proposed Rule; Regulation 131—Plan for Nonrenewal or Cancellation of Homeowners Policies in Effect and Renewed for More Than Three Years

(LAC 37:XIII.Chapter 202)

The Department of Insurance, pursuant to the authority of the Louisiana Insurance Code, R.S. 22:1 et seq., and in accordance with the Administrative Procedure Act, R.S. 49:950 et seq., published a Notice of Intent to promulgate its rule, Regulation 131, in the September 20, 2024, LAC 37, Chapter 202 of the *Louisiana Register*. The Department of Insurance proposes the following changes: to amend Section 20207 by amending the definition of *Homeowners Insurance* by deleting the reference to manufactured homes or mobile homes, by deleting the word means in the definition of *Insured*, and by adding a definition of *Not In The Public Interest*. Section 20209 A.2. was amended to require the submission of data and not the submission of a geographic map. Finally, Section 20209 B. was amended to add a reference to the Uniform Trade Secret Act. Since these are substantive changes, the Louisiana Department of Insurance is giving the public an opportunity for a hearing as published in this potpourri. The hearing date scheduled for February 21, 2025 is being continued to March 28, 2025.

Title 37

INSURANCE

Part XIII. Regulations

Chapter 202. Regulation Number 131— Plan for Nonrenewal or Cancellation of Homeowners Policies in Effect and Renewed for More Than Three Years

§20201. Authority

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§20207. Definitions

A. As used in Regulation 131, these terms shall have the following meaning ascribed herein unless the context clearly indicates otherwise.

Commissioner—the Louisiana Commissioner of Insurance.

Department—the Louisiana Department of Insurance.

Homeowners Insurance—a policy of insurance on a one- or two-family owner-occupied premises, which combines fire and allied lines with any one or more perils of casualty, liability, or other types of insurance within one policy form at a single premium, where the insurer's liability for damage to the premises under said policy is determined with reference to the replacement value of the premises.

Homeowners Policies—shall mean for purposes of this regulation, policies of homeowners insurance that have been in effect for more than three years on or before August 1, 2024.

Nonrenewal or Cancellation Date—the termination date of an insured's policy of homeowners insurance.

Insured—customers owning homeowners policies as provided for in R.S. 22:1265.

Insurer—any insurer that provides property, casualty, and liability insurance in the state of Louisiana.

Not In The Public Interest—means the imposition of a plan to cancel or nonrenew up to 5 percent of homeowners policies that has an outsized impact on a specific coastal geographic area, zip code, or parish.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:2, R.S. 22:11, 22:1265, Act 2024, No. 9 of the Regular Session of the Louisiana Legislature, and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR

§20209. Plan for Nonrenewal or Cancellation

A. -A. 1 ...

2. data submitted through a LDI portal or link to such data by parish representing each proposed parish and zip code affected by the nonrenewal or cancellation, along with the deductible amount. The data shall pinpoint all proposed homeowners policies to be nonrenewed or cancelled and demonstrate compliance with the requirement that no more than 5 percent of the insurer’s homeowners policies in force in any one parish that is subject to the “3 year rule” and a listing of those homeowners policies that may be nonrenewed or cancelled;

A3 – A.10....

B. Any business plan, documentation or information filed pursuant to Regulation 131 shall be considered proprietary or trade secret pursuant to the provisions of R.S. 44:3.2 and the Uniform Trade Secrets Act pursuant to Chapter 13-A of Title 51 of the Louisiana Revised Statutes of 1950 shall be applicable to any business plan, documentation or information.

C. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:2, R.S. 22:11, 22:1265, Act 2024, No. 9 of the Regular Session of the Louisiana Legislature, and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR

§20211 - §20215 ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:2, R.S. 22:11, 22:1265, Act 2024, No. 9 of the Regular Session of the Louisiana Legislature, and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR

§20217. Severability

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Public Comments

A public hearing on the proposed substantive changes will be held by the Louisiana Department of Insurance on March 28, 2025 at 10:00 a.m. in the Poydras Hearing Room, Poydras Building, 1702 North Third Street, Baton Rouge, LA. Interested persons who wish to make comments may do so at the public hearing or by writing to Claire Lemoine, Louisiana Department of Insurance, P.O. Box 94214, Baton Rouge, LA 70804-9214. Comments will be accepted no later than March 28, 2025 by close of business, 4:30 p.m. Interested persons who wish to make comments may do so by writing to Claire Lemoine, Attorney Supervisor, Louisiana Department of Insurance, P.O. Box 94214, Baton Rouge, LA 70804-9214, or by faxing comments to (225) 342-1632, or electronically at regulations@ldi.la.gov.

Timothy J. Temple
Commissioner of Insurance