

Regular Session, 2012

HOUSE CONCURRENT RESOLUTION NO. 189

BY REPRESENTATIVES JONES AND HARRISON AND SENATOR ALLAIN

A CONCURRENT RESOLUTION

To urge and request the commissioner of insurance to require Louisiana Citizens Property Insurance Corporation to implement its 2012 premium increase by phasing it in incrementally over a four-year time period.

WHEREAS, in March of 2012, the board of directors at Louisiana Citizens Property Insurance Corporation voted to approve a rate increase that will substantially affect property insurance premium rates statewide; and

WHEREAS, in May 2012, Louisiana Citizens Property Insurance Corporation submitted its rate filing to the Louisiana Department of Insurance; and

WHEREAS, the rate increase will commence effectivity on June 1, 2012; and

WHEREAS, property owners in Ascension Parish with wind-only policies will suffer a rate increase of one hundred fifty-four percent; and

WHEREAS, property owners in Cameron Parish with wind and hail policies will suffer a rate increase of fifty-two and two-tenths percent; and

WHEREAS, property owners in Iberia Parish with wind and hail policies will suffer a rate increase of sixty-eight percent; and

WHEREAS, property owners above the Gulf Intracoastal Waterway in Jefferson Parish with wind and hail policies will suffer a rate increase of nine and nine-tenths percent; and

WHEREAS, property owners below the Gulf Intracoastal Waterway in Jefferson Parish with wind and hail policies will suffer a rate increase of thirty-nine and sixth-tenths percent; and

WHEREAS, property owners in Lafourche Parish with wind and hail policies will suffer a rate increase of forty-seven percent; and

WHEREAS, property owners in Livingston Parish with wind-only policies will suffer a rate increase of one hundred sixty-one and nine-tenths percent; and

WHEREAS, property owners above the Gulf Intracoastal Waterway in Plaquemines Parish with wind and hail policies will suffer a rate increase of twelve and two-tenths percent; and

WHEREAS, property owners below the Gulf Intracoastal Waterway in Plaquemines Parish with wind and hail policies will suffer a rate increase of ten percent; and

WHEREAS, property owners above the Gulf Intracoastal Waterway in St. Bernard Parish with wind and hail policies will suffer a rate increase of seven and four-tenths percent; and

WHEREAS, property owners below the Gulf Intracoastal Waterway in St. Bernard Parish with wind and hail policies will suffer a rate increase of nine and sixth-tenths percent; and

WHEREAS, property owners in St. Martin Parish with wind and hail policies will suffer a rate increase of thirty-seven percent; and

WHEREAS, property owners in St. Mary Parish with wind and hail policies will suffer a rate increase of one hundred seventy percent; and

WHEREAS, property owners in Terrebone Parish with wind and hail policies will suffer a rate increase of fifty-two percent; and

WHEREAS, property owners in Vermilion Parish with wind and hail policies will suffer a rate increase of one hundred ten percent; and

WHEREAS, the board of directors at Louisiana Citizens Property Insurance Corporation justify the rate hike by reasoning that this 2012 spike in premiums is the first rate increase since the corporation began writing wind and hail policies; and

WHEREAS, property owners would have been more prepared to cope with a more gradual increase, implemented over the course of several years; and

WHEREAS, a substantial percentage of property owners will be negatively affected by the effects of facing such a drastic increase; and

WHEREAS, property owners in the affected areas will be subject to an insurance premium that increases at an average rate of fifty-eight percent in the timespan of one year; and

WHEREAS, this 2012 rate increase will affect at least thirty-five thousand consumers of Louisiana Citizens Property Insurance Corporation; and

WHEREAS, the coastal parishes of Louisiana and its citizens and their properties are an essential part of Louisiana's economic stability; and

WHEREAS, the coastal parishes of Louisiana and its citizens and their properties are an essential part of Louisiana's rich history and culture; and

WHEREAS, the future of Louisiana's economy and continued cultural growth is dependent, in large part, upon the preservation of the communities and people that reside in the coastal parishes; and

WHEREAS, it is in the state of Louisiana's best interest to encourage the continuation of the businesses and communities that are located in the coastal parishes.

THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby urge and request the commissioner of insurance, in accordance with the Administrative Procedure Act, to adopt all necessary rules and regulations to prohibit Louisiana Citizens Property Insurance Corporation from implementing drastic rate hikes and to require that this 2012 increase be introduced in incremental phases over the course of the next four years.

BE IT FURTHER RESOLVED that a suitable copy of this Resolution be transmitted to the Louisiana Department of Insurance and the commissioner of insurance.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE