HLS 11RS-1108 **ORIGINAL** 

Regular Session, 2011

1

HOUSE RESOLUTION NO. 18

## BY REPRESENTATIVE HARRISON

INSURANCE: Urges and requests the Dept. of Insurance to study the feasibility of prohibiting insurers from imposing more than a 2% deductible, including but not limited to a named-storm or hurricane deductible on any homeowner's insurance policy

A RESOLUTION

2	To urge and request the Department of Insurance to study the feasibility of prohibiting
3	insurers from imposing more than a two percent deductible, including but not limited
4	to a named-storm or hurricane deductible on any homeowner's insurance policy.
5	WHEREAS, all insurers that issue homeowner's insurance policies in this state have
6	an all-perils deductible, which covers a one- or two-family owner occupied premises that
7	combines fire and allied lines with any one or more perils of casualty, liability, or other types
8	of insurance within one policy form at a single premium; and
9	WHEREAS, most insurers that issue homeowner's insurance policies in this state
10	have an additional named-storm or hurricane deductible, which covers any damage incurred
11	to a one- or two-family owner occupied premises that as a result of a named storm or
12	hurricane within one policy form at a single premium; and
13	WHEREAS, some insurers that issue homeowner's insurance policies in this state
14	increased their named-storm or hurricane deductible after Hurricane Katrina in 2005
15	pursuant to R.S. 22:1336 to as much as five percent of the value of the insured's home that
16	is insured; and
17	WHEREAS, although insurers are required to give notice to insureds of any change,
18	increase, or alteration of premium to an insured's policy pursuant to R.S. 22:1332, the
19	increase in premiums subsequent to Hurricane Katrina caught most insureds off guard and
20	to their surprise; and
21	WHEREAS, debates have centered, in part, around the undue financial burden on the
22	insured as a result of the increase in the named storm or hurricane deductible; and

1 WHEREAS, having two deductibles under a homeowner's insurance policy in this 2 state is another concern; and 3 WHEREAS, under current law, an insured would bear the burden of paying more 4 than one deductible in the event more than one named storm or hurricane were to occur 5 during a hurricane season in the event damage was incurred to his home as a result of the 6 named storm or hurricane. 7 THEREFORE, BE IT RESOLVED that the House of Representatives of the 8 Legislature of Louisiana does hereby urge and request that the Department of Insurance 9 study the feasibility of prohibiting insurers from imposing more than a two percent 10 deductible, including but not limited to a named-storm or hurricane deductible, on any 11 homeowner's insurance policy. 12 BE IT FURTHER RESOLVED that the department shall report its findings no later 13 than thirty days prior to the convening of the 2012 Regular Session of the Legislature of 14 Louisiana. 15 BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the 16 commissioner of insurance.

## DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Harrison HR No. 18

Urges and requests the Dept. of Insurance to study the feasibility of prohibiting insurers from imposing more than a 2% deductible, including but not limited to a named storm or hurricane deductible on any homeowner's insurance policy. Requests a report of findings prior to the convening of the 2012 R.S.