

## RULE

### Department of Insurance Office of the Commissioner

#### Regulation 126—Louisiana Fortify Homes Program (LAC 37:XIII.Chapter 182)

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., hereby amends Regulation 126 to provide clarification with respect to the administration of the Louisiana Fortify Homes Program (LFHP) in accordance with Act No. 554 of the 2022 Regular Session. This Rule is hereby adopted on the day of promulgation.

#### Title 37

#### INSURANCE

#### Part XIII. Regulations

#### Chapter 182. Regulation Number 126—Louisiana Fortify Homes Program

##### §18201. Purpose

A. ...

B. The purpose of the amendment to Regulation 126 is to provide additional clarification with respect to the administration of the LFHP in accordance with Act No. 554 of the 2022 Regular Session.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11 and R.S. 22:1483.1.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 49:698 (April 2023), amended LR 50:1499 (October 2024).

##### §18202. Definitions

A. As used in Regulation 126, the following terms shall have the meanings herein specified.

1. *Commissioner*—the Louisiana Commissioner of Insurance.

2. *FORTIFIED*—a program of IBHS.

3. *FORTIFIED Home Evaluator*—an independent, third party who has completed the FORTIFIED training requirements and is certified by the Insurance Institute for Business and Home Safety (IBHS) as a home evaluator who can verify that a home meets the FORTIFIED roof standard. Homeowners can find a list of certified home evaluators at [www.ldi.la.gov/fortifyhomes](http://www.ldi.la.gov/fortifyhomes).

4. *Good Cause*—sufficient and verifiable grounds for waiving a requirement in the grant application process.

5. *Insurance Institute for Business and Home Safety (IBHS)*—a non-profit research and communications organization of the property and casualty insurance industry that defines the FORTIFIED roof standard for homes, information for which can be found at [www.fortifiedhome.org](http://www.fortifiedhome.org).

6. *Lottery Process*—the random process by which an applicant is selected for the LFHP.

7. *Louisiana Fortify Homes Program (LFHP)*—a program, enacted by Act No. 554 of the 2022 Regular Session, administered by the commissioner, to make financial grants to retrofit roofs of insured property, as defined in R.S. 22:1483(C)(9), with a homestead exemption utilizing construction techniques demonstrated to reduce losses caused by a hurricane, tornado, or other catastrophic windstorm event and that meet or exceed the IBHS

FORTIFIED roof standard, information for which can be found at [www.ldi.la.gov/fortifyhomes](http://www.ldi.la.gov/fortifyhomes).

8. *National Flood Insurance Program (NFIP)*—a federal program enacted by the National Flood Insurance Act of 1968 (Title XIII of P.L. 90-448, as amended, 42 U.S.C. §§4001, et seq.) to provide greater access to primary flood insurance, mitigate flood risks, and reduce federal expenditures pertaining to flood-related disaster assistance. As part of its efforts to minimize flood damage and reduce repair costs, the NFIP designates flood zones and flood maps, which illustrate a community's flood risks. Additional information regarding the NFIP or flood zones and maps can be found at [www.floodsmart.gov](http://www.floodsmart.gov).

9. *Special Flood Hazard Area (SFHA)*—an area having special flood, mudflow, or flood-related erosion hazards on a Flood Hazard Boundary Map or a Flood Insurance Rate Map as shown on the Federal Emergency Management Agency's website. The SFHA is the area where the NFIP's floodplain management regulations must be enforced and the area where the mandatory purchase of flood insurance applies.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11 and R.S. 22:1483.1.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 49:698 (April 2023), amended LR 50:1499 (October 2024).

##### §18203. Contractor Eligibility Requirements and Conflicts of Interest

A. Contractor Eligibility Requirements. To be eligible to work as a LFHP contractor (LFHP-approved contractor), the contractor must meet all of the following program requirements:

1. submit and maintain a current copy of all certificates, licenses, and proof of insurance coverages with the LFHP;

2. - 5. ...

6. provide a FORTIFIED certification issued by the IBHS or its successor;

7. be listed on the IBHS Directory as an approved contractor at [www.fortifiedproviders.com](http://www.fortifiedproviders.com);

8. comply with all regulatory and tax laws regulating businesses in the state of Louisiana;

9. maintain internet access and have a valid, active email address on file with the LFHP for communication with the LFHP;

10. avoid conflicts of interest in any work performed on projects funded by LFHP grants; and

11. agree to follow the LFHP procedures and rules as established by the commissioner.

B. Contractor Conflicts of Interest

1. LFHP-approved contractors may not possess a financial interest in any project for which they perform work toward a FORTIFIED designation other than for payment on behalf of the homeowner by the LFHP.

2. LFHP-approved contractors cannot be the home evaluator for a FORTIFIED designation on any project funded by LFHP grants.

3. ...

C. The LFHP may remove a contractor from the list of LFHP-approved contractors at any time upon a finding that the contractor failed to meet any of the program requirements listed in Regulation 126.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11 and R.S. 22:1483.1.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 49:698 (April 2023), amended LR 50:1499 (October 2024).

#### **§18204. Home Evaluator Eligibility Requirements and Conflicts of Interest**

A. Home Evaluator Eligibility Requirements. To be eligible to work on the LFHP, a home evaluator must meet all of the following program requirements:

1. submit and maintain a copy of all current program certificates with the LFHP;
2. be in good standing with the IBHS and maintain an active certification as a FORTIFIED home evaluator, issued by the IBHS or its successor;
3. ...
4. comply with all regulatory and tax laws regulating businesses in the state of Louisiana; and
5. ...

B. Home Evaluator Conflicts of Interest

1. Home evaluators may not possess a financial interest in any project for which they inspect for FORTIFIED designation purposes in connection with the LFHP.

2. Home evaluators cannot be contractors or suppliers of any materials, products, or systems installed in any home they inspect for FORTIFIED designation purposes for the LFHP.

3. Home evaluators cannot be a sales agent for any home being designated for the LFHP program.

4. Home evaluators have a duty to inform the LFHP of any potential conflicts of interest before commencing inspections on any job funded by LFHP grants.

C. The LFHP may remove a home evaluator from the list of eligible certified evaluators at any time upon a finding that the home evaluator failed to meet any of the program requirements listed in Regulation 126.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11 and R.S. 22:1483.1.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 49:698 (April 2023), amended LR 50:1500 (October 2024).

#### **§18205. LFHP Grants**

A. Grant Eligibility. To be eligible for a LFHP grant, an applicant must meet the following requirements:

1. The home must be a residence with a homestead exemption that is not a condominium or mobile home.
2. ...
3. The homeowner, with the assistance of an LFHP-approved contractor and home evaluator, must fortify the home's roof to meet or exceed the IBHS FORTIFIED roof standard.
4. The homeowner must provide the LFHP proof of a wind insurance policy on the home. Additionally, if the home is in a designated SFHA, the homeowner must provide the LFHP proof of a flood insurance policy on the home.
5. - 7. ...
8. Unless granted an extension by the commissioner, the LFHP project must be completed within 90 days from the date of the notification issued by the commissioner that the applicant is eligible to proceed with the grant process.

Notice will be delivered to the applicant through electronic means. Failure to timely complete the LFHP project may result in a forfeiture of the grant.

9. The commissioner may grant a homeowner an extension of time to complete the LFHP project if an extension is timely requested in writing and the homeowner provides sufficient proof that extenuating circumstances caused or will likely cause delays in the completion of the LFHP. Whether to grant or deny a request for an extension of time shall be subject to the commissioner's sole discretion.

B. Grant Application Process

1. To apply for an LFHP grant, a homeowner must complete and submit an online grant application to the LFHP. The online grant application portal will be accessible via [www.ldi.la.gov/fortifyhomes](http://www.ldi.la.gov/fortifyhomes).

2. Unless otherwise notified by the commissioner, the homeowner will be responsible for paying for a certified home evaluator of the homeowner's choice to provide an IBHS home review evaluation on the home seeking to be fortified. A list of certified home evaluators can be found at [www.ldi.la.gov/fortifyhomes](http://www.ldi.la.gov/fortifyhomes).

3. The home evaluator shall determine whether the home meets a minimum structural standard on a pass-or-fail basis before identifying all improvements required to meet the IBHS FORTIFIED roof standard. Thereafter, the home evaluator shall submit a report to the LFHP for approval.

4. The homeowner must access the LFHP online application portal and obtain bids from not less than three LFHP-approved contractors of their choice to improve the home to meet the IBHS FORTIFIED roof standard. The commissioner may waive the minimum number of bids required for the application to reflect the number of contractors available in the area or for other good cause shown. A list of eligible contractors can be found at [www.ldi.la.gov/fortifyhomes](http://www.ldi.la.gov/fortifyhomes).

C. Awarding of Grants. The LFHP will award grants through a lottery process, subject to the availability of funding. The LFHP will review all applications for completeness and perform appropriate audits to verify the accuracy of the information in the application and whether the applicant meets the eligibility criteria. Applicants will have 30 days from selection in the lottery process to provide information to verify eligibility. LFHP-approved contractors may not begin work on a home until selected by the applicant and the bid process is complete. The LFHP may extend the time for review and approval of applications as it deems necessary. The LFHP will notify an applicant if the time for review and approval of the application has been extended.

D. Maximum Grant Award. The amount of a grant award shall be equivalent to the actual cost of retrofitting the roof to comply with the IBHS FORTIFIED roof standard, not to exceed \$10,000. The commissioner may periodically update the amount of the grant award.

E. Release of Funds. Grant funds will only be released on behalf of an approved applicant once an IBHS FORTIFIED certificate has been issued for the home. Funds will be paid by the LFHP, on behalf of the homeowner, directly to the contractor who performed the work to fortify the roof.

F. Grant Award Process

1. Once the LFHP approves the grant application, the homeowner may contract with an LFHP-approved contractor to fortify the home. Once the LFHP-approved contractor completes the fortification work on the home, they must submit a copy of the signed contract to the LFHP with a final invoice. The final invoice must include written verification that the work was completed to the FORTIFIED roof standard and that the total invoiced amount does not include any costs or fees incurred by the contractor for those items identified in R.S. 22:1483.1(B).

2. The home evaluator will perform all required evaluations to confirm that the LFHP-approved contractor completed the work according to the IBHS FORTIFIED roof standard. The IBHS will review the evaluation and determine whether to issue a FORTIFIED designation, which is a written certificate that the home meets the FORTIFIED roof standard.

3. ...

4. The LFHP reserves the right to conduct random inspections.

5. To timely manage the processing of grant applications or to meet funding limitations, the LFHP may establish specific periods when it will accept grant applications.

G. The commissioner may create pilot projects as needed to establish a sustainable distribution system of the program in any geographic area within the State of Louisiana.

H. Coordination with Other Funding Sources

1. Applicants shall report any funds received or anticipated from insurance, disaster relief, or other sources to ensure that the grant only covers actual costs.

2. Insurers shall not reduce settlement payments based on the payment or an LFHP grant.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11 and R.S. 22:1483.1.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 49:698 (April 2023), amended LR 50:1500 (October 2024).

§18207. Effective Date

A. Regulation 126, as amended, shall be effective upon final publication in the *Louisiana Register*.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11 and R.S. 22:1483.1.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 50:1501 (October 2024).

Timothy J. Temple  
Commissioner

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**RULE**

**Department of Insurance  
Office of the Commissioner**

Regulation 130—Insurance Premium Tax Credits for  
Retaliatory Taxes Paid by Certain Domestic Insurers  
(LAC 37:XIII.Chapter 199)

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., hereby promulgates *Regulation 130—Insurance Premium Tax Credits for Retaliatory Taxes Paid by Certain Domestic Insurers*. Regulation 130 implements the provisions of Act No. 428 of the 2023 Regular Session. The law creates an insurance premium tax refundable credit for retaliatory taxes paid by certain domestic insurers. This Rule is hereby adopted on the day of promulgation.

**Title 37**

**INSURANCE**

**Part XIII. Regulations**

**Chapter 199. Regulation Number 130—Insurance  
Premium Tax Credits for Retaliatory  
Taxes Paid by Certain Domestic Insurers**

**§19901. Purpose**

A. The purpose of this regulation is to implement the provisions of Act No. 428 of the 2023 Regular Session. The law creates an insurance premium tax refundable credit for retaliatory taxes paid by certain domestic insurers.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11, R.S. 22:836, and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 50:1501 (October 2024).

**§19903. Applicability and Scope**

A. This regulation applies to Louisiana domestic insurers that are authorized to write and do write insurance in Louisiana on an admitted basis and in at least one other state on an admitted basis as of July 1, 2023.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11, R.S. 22:836, and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 50:1501 (October 2024).

**§19905. Definitions**

*Commissioner*—the commissioner of insurance for the State of Louisiana.

*LDI*—the Louisiana Department of Insurance.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11, R.S. 22:836, and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 50:1501 (October 2024).

**§19907. Calculation of the Refundable Credit; Proof of  
Credit; Affidavit**

A. Domestic admitted insurers who have paid retaliatory tax based on premiums written in the preceding year shall provide evidence of the retaliatory taxes paid to other states along with Form 836. Evidence may consist of tax returns, invoices, copies of checks, or other documents that support the payment of the retaliatory taxes. Form 836 will be due by April 15th of each year.

B. Within 60 days after receiving all applications of the retaliatory credits, the LDI shall issue a refund for the retaliatory amounts paid by the domestic insurer. The maximum amount of refundable credits shall not exceed nine million dollars per fiscal year for the total of all domestic insurers claiming credits. If the total amount of refundable credits claimed by all eligible domestic insurers exceeds nine million dollars, the refunds shall be made on a pro rata basis to the eligible domestic insurers based upon