



LOUISIANA DEPARTMENT OF INSURANCE
JAMES J. DONELON
COMMISSIONER

BULLETIN 2023-01

TO: ALL AUTHORIZED INSURERS AND SURPLUS LINES INSURERS

FROM: JAMES J. DONELON, COMMISSIONER OF INSURANCE

RE: APPROPRIATE USE OF CRIME STATISTICS IN UNDERWRITING AND RATING OF PROPERTY INSURANCE POLICIES

DATE: JANUARY 25, 2023

The purpose of Bulletin 2023-01 is to urge and request all authorized insurers and surplus lines insurers (hereinafter jointly referred to as insurers) who write property insurance coverage in Louisiana to abide by the legislative intent of La. R.S. 22:41 that policyholders shall have the right to be treated fairly. The inappropriate use of crime scores in the underwriting and rating of property insurance policies violates the legislative intent of La. R.S. 22:41.

It has come to my attention that in recent months there has been an increase in property insurance declinations in the city of St. Francisville and the Parish of West Feliciana. Some insurers' underwriters have attributed property insurance declinations to negative crime scores provided by various third-party underwriting data sources. This crime score underwriting data reflects the Federal Bureau of Investigation (FBI) crime statistics based on a county/parish basis.

St. Francisville, Louisiana is a small community with a population of less than 2,000 people. West Feliciana Parish has a total population of 15,000, which includes the population of Angola State Penitentiary of approximately 5,000 inmates.

After discussions with local law enforcement authorities, it has been determined that West Feliciana Parish / St. Francisville crime scores are being adversely affected by crimes that occur within the walls of Angola State Penitentiary. Because criminal cases within Angola are handled in the West Feliciana Parish court system, those crimes are included in the FBI crime data base. This is the reason that third-party data companies that calculate underwriting crime scores using the FBI crime data base report an "F" rating for St. Francisville and West Feliciana Parish.

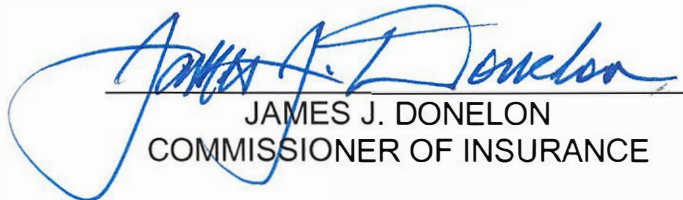
Crimes committed at Angola State Penitentiary are inmate on inmate crimes within the walls of the prison and do not accurately reflect crime risks in St. Francisville and other areas of West Feliciana Parish outside of the prison. Local law enforcement statistics that do not include Angola crime statistics show that St. Francisville and the rest

of West Feliciana Parish outside of Angola have very low crime rates, which would result in excellent crime scores.

I urge and request all insurers writing property insurance coverage in Louisiana to properly evaluate and underwrite properties located in St. Francisville and West Feliciana Parish considering the information provided above and treat them fairly pursuant to La. R.S. 22:41.

If there are any questions or concerns regarding Bulletin 2023-01, please contact the Deputy Commissioner for the Office Property and Casualty at (225) 342-5203, or electronically at public@ldi.la.gov.

Baton Rouge, Louisiana, this 25th day of January 2023.



JAMES J. DONELON
COMMISSIONER OF INSURANCE