

B. The definition of a vehicle tracking system provided herein shall give interpretation and guidance to insurers offering rate reductions as authorized by the commissioner pursuant to R.S. 22:1457(E).

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:1457 and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 35:957 (May 2009).

§13305. Authority

A. Regulation 97 is promulgated by the commissioner pursuant to the authority granted under the Louisiana Insurance Code, R.S. 22:1 et seq., particularly R.S. 22:11, and specifically R.S. 22:1457(E).

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:1457 and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 35:958 (May 2009).

§13307. Definitions

A. For the purposes of Regulation 97 these terms shall have the meaning ascribed herein unless the context clearly indicates otherwise.

Commissioner—Commissioner of Insurance.

Insurer—any authorized insurance company which possesses a certificate of authority issued by the Commissioner to write motor vehicle liability and physical damage insurance business in the state of Louisiana.

Vehicle Tracking System—an electronic device, unit or system installed in a motor vehicle that is accessible after that motor vehicle is stolen. When accessed, the electronic device, unit or system shall be capable of transmitting information regarding the location of the stolen motor vehicle to applicable and appropriate law enforcement officials or private entities to assist in the recovery of the stolen motor vehicle.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:1457 and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 35:958 (May 2009).

§13309. Rate Reduction for Vehicle Tracking System

A. Upon application by an insurer, an actuarially justified rate reduction for the installation of a vehicle tracking system shall be approved by the commissioner, in accordance with law. The rate reduction filed by the insurer shall apply to either motor vehicle liability coverage or physical damage insurance coverage, or both coverages, as approved by the commissioner, and shall reduce the insurance premium of any motor vehicle when the motor vehicle is equipped with a vehicle tracking system.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:1457.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 35:958 (May 2009).

§13311. Effective Date

A. Regulation 97 shall become effective upon final publication in the Louisiana Register and shall apply to acts or practices committed on or after the effective date.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:1457.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 35:958 (May 2009).

§13313. Severability

A. If any Section or provision of Regulation 97 or the application to any person or circumstance is held invalid, such invalidity or determination shall not affect other Sections or provisions or the application of Regulation 97 to any persons or circumstances that can be given effect without the invalid Section or provision or application, and for these purposes the Sections and provisions of Regulation 97 and the application to any persons or circumstances are severable.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:1457.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 35:958 (May 2009).

Chapter 135. Regulation Number 93—Named Storm and Hurricane Deductibles

§13501. Authority

A. Regulation 93 is issued pursuant to the authority vested in the commissioner pursuant to the provisions of R.S. 49:953 et seq., of the Administrative Procedure Act; R.S. 22:11, R.S. 22:1333(D) and 22:1265(F).

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11 to enforce the provisions of R.S. 22:1333(D) and 22:1265(F).

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 35:675 (April 2009).

§13503. Purpose

A. The purpose of Regulation 93 is to implement the provisions of Acts 2008, No. 854 of the Regular Session of the Louisiana Legislature, which allows an insurer to make a filing to deviate from the requirements of R.S.22:1333(C) and 22:1265(D) concerning deductibles for named storms and hurricanes.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11 to enforce the provisions of R.S. 22:1333(D) and 22:1265(F).

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 35:675 (April 2009).

§13505. Scope and Applicability

A. Regulation 93 applies to authorized property and casualty insurers required to submit rates and rating plans for residential property insurance to the Louisiana Department of Insurance.

B. Regulation 93 applies to approved unauthorized insurers, i.e., surplus lines.

C. Regulation 93 applies to modular homes.

D. Regulation 93 does not apply to commercial properties or commercial residential properties with three or more units.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11 to enforce the provisions of R.S. 22:1333(D) and 22:1265(F).

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 35:675 (April 2009).

§13507. Definitions

A. As used in Regulation 93, these terms shall have the following meaning ascribed herein unless the context clearly indicates otherwise.

Commissioner—the Commissioner of Insurance for the State of Louisiana.

Department—Louisiana Department of Insurance.

Deductible—a named storm or hurricane deductible as defined in a policy of homeowners' 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, but does not include insurance policies written to cover manufactured homes or mobile homes.

New Business—the issuance of a new policy of homeowners' insurance.

Region—a designated and contiguous geographic area of the state identified by an insurer for the purpose of establishing regional deductibles pursuant to R.S. 22:1333(D) and R.S. 22:1265(F).

Regional Deductible—a specified named storm deductible or hurricane deductible established by an insurer for a particular region.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11 to enforce the provisions of R.S. 22:1333(D) and 22:1265(F).

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 35:675 (April 2009).

§13509. Business Plan for Authorized Property and Casualty Insurers; Approved Unauthorized Insurers

A. Any authorized property and casualty insurer that makes a filing pursuant to R.S. 22:1464 for authorization to deviate from the requirements of R.S.22:1333(C) and 22:1265(D) concerning deductibles for named storms and hurricanes shall file with the Commissioner a business plan setting forth the insurer's plan to write new business in the state of Louisiana. The business plan shall include, but not be limited to the following:

1. a written description of each proposed region for which mandated, minimum regional deductibles will vary;
2. a statewide graphic representation of each proposed region for which mandated, minimum regional deductibles will vary;
3. the proposed mandated minimum regional deductible for each proposed region;

4. for each region where the proposed regional deductible differs from the existing deductible, the insurer shall indicate in the business plan the methods by which it intends to write new business;

5. for each region where the proposed regional deductible is the same as the existing deductible, the insurer shall make a statement to that effect;

6. for the most recent quarter available, the number of policies in force and premium in force (at current rate level) in each proposed region, categorized by the current deductible on the policy;

7. for the most recent quarter available and categorized by the current deductible on the policy, the number of policies in force in each proposed region expected to be rolled to the proposed mandated minimum regional deductible;

8. for the most recent quarter available and categorized by the current deductible on the policy, the premium in force (at current rate level) adjusted to reflect the proposed mandated minimum regional deductible;

9. for the most recent quarter available and categorized by the current deductible on the policy, the difference between the current and the expected premium, represented in both premium dollars and percentage change from the policy premiums before policies are rolled to the proposed mandated minimum regional deductibles; and

10. for each proposed mandated minimum regional deductible, the premium credit associated with selected regional deductible.

B. Any approved unauthorized insurer (i.e. surplus lines) seeking authorization to deviate from the requirements of R.S.22:1333(C) and 22:1265(D) concerning deductibles for named storms and hurricanes shall file with the Commissioner a business plan setting forth the insurer's plan to write new business in the state of Louisiana. The business plan shall include, but not be limited to the following:

1. a written description of each proposed region for which mandated, minimum regional deductibles will vary;
2. a statewide graphic representation of each proposed region for which mandated, minimum regional deductibles will vary;
3. the proposed mandated minimum regional deductible for each proposed region;
4. for each region where the proposed regional deductible differs from the existing deductible, the insurer shall indicate in the business plan the methods by which it intends to write new business;
5. for each region where the proposed regional deductible is the same as the existing deductible, the insurer shall make a statement to that effect;
6. for the most recent quarter available and categorized by the current deductible on the policy, the number of policies in force in each proposed region expected to be rolled to the proposed mandated minimum regional deductible.

C. The business plan submitted by an insurer may include documentation or information setting forth why writing new business in a particular region may not be in the best interest of the insurer's policyholders. Factors to be considered in determining whether writing new business is not in the best interest of the insurer's policyholders may include but not be limited to the following:

1. the insurer's total market share based on the insurer's total written premium in the particular region or area;
2. the insurer's total market share based on the insurer's total written premium in the state;
3. the insurer's probable maximum loss (PML) based on the amount of risk the insurer has written in the state;
4. the insurer's total homeowners insurance policies in force in the particular region or area;
5. the insurer's total homeowners insurance policies in force in the state;
6. whether the rate filing and deductible are needed to ensure the insurer's ability to meet its ongoing obligations to its policyholders;
7. whether the rate filing and deductible are needed to ensure the insurer has adequate loss reserves;
8. whether the rate filing and deductible are needed to ensure the insurer's ability to remain competitive in the market;
9. whether the rate filing and deductible are needed to ensure the insurer's ability to adequately manage its business and the risk it has assumed; and
10. any other factors that the Commissioner determines are applicable, relevant, and appropriate.

D. Any business plan, documentation or information filed pursuant to subsections A, B, or C of this Section shall be considered proprietary or trade secret pursuant to the provisions of R.S. 44:3.2 and the Uniform Trade Secrets Act.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11 to enforce the provisions of R.S. 22:1333(D) and 22:1265(F).

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 35:675 (April 2009).

§13511. Rescission

A. The Commissioner may subsequently rescind his approval of any filing made pursuant to this Subsection if the insurer fails to write new business in accordance with the business plan filed with and approved by the Commissioner pursuant to R.S. 22:1333(D) and 22:1265(F).

B. If a filing made pursuant to R.S. 22:1333(D) and 22:1265(F) has been approved and in effect for at least 180 days, any rescission by the Commissioner shall set forth the date when such rescission shall be effective.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11 to enforce the provisions of R.S. 22:1333(D) and 22:1265(F).

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 35:676 (April 2009).

§13513. Notification to Insured of Premium Savings

A. Any insurer receiving approval to deviate from the requirements of R.S. 22:1333(C) and 22:1265(D) concerning deductibles for named storms and hurricanes as a result of a filing made pursuant to Regulation 93 and R.S. 22:1333(D) and 22:1265(F) shall itemize and notify the insured of the premium savings associated with the new deductible by indicating the dollar amount of the premium savings on the renewal notice or as a separate insert with the renewal notice.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11 to enforce the provisions of R.S. 22:1333(D) and 22:1265(F).

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 35:676 (April 2009).

§13515. Multiple Deductibles

A. Any homeowners policy of insurance that contains any provision that would apply more than one deductible to a loss resulting from any single incident covered by the policy shall be null and void and unenforceable as contrary to public policy.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11 to enforce the provisions of R.S. 22:1333(D) and 22:1265(F).

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 35:676 (April 2009).

§13517. Severability

A. If any Section or provision of Regulation 93 or the application to any person or circumstance is held invalid, such invalidity or determination shall not affect other Sections or provisions or the application of Regulation 93 to any persons or circumstances that can be given effect without the invalid Section or provision or application, and for these purposes the Sections and provisions of Regulation 93 and the application to any persons or circumstances are severable.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11 to enforce the provisions of R.S. 22:1333(D) and 22:1265(F).

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 35:676 (April 2009).

§13519. Effective Date

A. Regulation 93 shall become effective upon final publication in the *Louisiana Register*.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11 to enforce the provisions of R.S. 22:1333(D) and 22:1265(F).

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 35:677 (April 2009).

Chapter 137. Regulation 98—Annual Financial Reporting

§13701. Authority

A. Regulation 98 is promulgated by the Commissioner of Insurance (commissioner) of the Louisiana Department of Insurance (department) pursuant to authority granted under