

House Committee on Insurance

Minutes of Meeting
2022 Regular Session
April 27, 2022

I. CALL TO ORDER

Representative Mike Huval, chairman of the House Committee on Insurance, called the meeting to order at 9:35 a.m. in Room 2, in the state capitol in Baton Rouge, Louisiana.

II. ROLL CALL

MEMBERS PRESENT:

Representative Mike Huval, chairman
Representative Delisha Boyd
Representative Chad Brown
Representative Mary DuBuisson
Representative Kathy Edmonston
Representative Michael "Gabe" Firment
Representative Lawrence "Larry" Frieman
Representative Cedric B. Glover
Representative Kyle M. Green, Jr.
Representative Paul Hollis
Representative John R. Illg, Jr.
Representative Edmond Jordan, vice chairman
Representative Sherman Q. Mack
Representative Matthew Willard

MEMBERS ABSENT:

None

STAFF MEMBERS PRESENT:

Rashida Keith, attorney
Adam Patrick, attorney
Alicia Powell, committee administrative assistant

ADDITIONAL ATTENDEES PRESENT:

Rebecca Marshall, sergeant at arms

III. DISCUSSION OF LEGISLATION

House Bill No. 1005 by Representative Larvadain

Representative Larvadain presented House Bill No. 1005, which provides for surety insurance.

Representative Jordan offered amendments to:

- (1) Make technical changes.
- (2) Prohibit persons and insurers from offering primary deposit insurance, except the FDIC or the NCUA, for deposits in banks, savings and loan associations, savings banks, credit unions, finance operations, or similar institutions.
- (3) Provide that an insurance corporation may be licensed to offer excess shares insurance to provide coverage for an amount above the amount insured by the NCUA, and if licensed, may offer such coverage.
- (4) Provide that an insurance corporation may be licensed to offer excess deposit insurance to provide coverage for an amount above the amount insured by the FDIC, and if licensed, may offer such coverage.
- (5) Change the effective date from the default effective date to upon signature of the governor.

Representative Jordan offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 12 yeas and 0 nays. Representatives Huval, Boyd, Brown, DuBuisson, Firment, Frieman, Glover, Hollis, Illg, Jordan, Mack, and Willard voted yea.

Robert Rieger, Adams and Reese, 450 Laurel Street, Suite 1900, Baton Rouge, LA 70801, (225) 336-5200, spoke in support of House Bill No. 1005.

Kurt Loose, Excess Share Insurance, 5656 Frantz Road, Dublin, OH 43017, (330) 608-6167, spoke in support of House Bill No. 1005.

Representative Frieman offered a motion to report House Bill No. 1005 with amendments. Without objection, House Bill No. 1005 was reported with amendments by a vote of 13 yeas and 0 nays. Representatives Huval, Boyd, Brown, DuBuisson, Edmonston, Firment, Frieman, Glover, Hollis, Illg, Jordan, Mack, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 5 in support and 1 for information only. Witness cards are included in the committee records.

Senate Bill No. 264 by Senator Bouie

Senator Bouie presented Senate Bill No. 264, which provides for minimum capital and surplus requirements for certain domestic insurers.

Representative Brown offered a motion to report Senate Bill No. 264 favorably. Without objection, Senate Bill No. 264 was reported favorably by a vote of 12 yeas and 0 nays. Representatives Huval, Boyd, Brown, DuBuisson, Edmonston, Firment, Frieman, Glover, Hollis, Illg, Mack, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 2 in support and 1 for information only. Witness cards are included in the committee records.

Senate Bill No. 168 by Senator Abraham

Senator Abraham presented Senate Bill No. 168, which provides relative to commercial insurance.

Representative Illg offered a motion to report Senate Bill No. 168 favorably. Without objection, Senate Bill No. 168 was reported favorably by a vote of 12 yeas and 0 nays. Representatives Huval, Boyd, Brown, DuBuisson, Edmonston, Firment, Frieman, Glover, Hollis, Illg, Mack, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 1 in support and 1 for information only. Witness cards are included in the committee records.

Senate Bill No. 210 by Senator Stine

Senator Stine presented Senate Bill No. 210, which authorizes fine in lieu of suspension or revocation of certificate of authority for foreign or alien insurers.

Representative Frieman offered a motion to report Senate Bill No. 210 favorably. Without objection, Senate Bill No. 210 was reported favorably by a vote of 12 yeas and 0 nays. Representatives Huval, Boyd, Brown, DuBuisson, Edmonston, Firment, Frieman, Glover, Hollis, Illg, Mack, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 1 in support. Witness cards are included in the committee records.

Senate Bill No. 21 by Senator Robert Mills

On behalf of Senator Robert Mills, Matt Stewart, Louisiana Department of Insurance (LDI), 1702 N. Third Street, Baton Rouge, LA 70802, (225) 219-5941, presented Senate Bill No. 21, which provides relative to requirements for approved unauthorized insurers.

Representative Brown offered a technical amendment. Representative Brown offered a motion to adopt the proposed amendment. Without objection, the amendment was adopted by a vote of 12 yeas and 0 nays. Representatives Huval, Boyd, Brown, DuBuisson, Edmonston, Firment, Frieman, Glover, Hollis, Illg, Mack, and Willard voted yea.

Representative Illg offered a motion to report Senate Bill No. 21 with amendments. Without objection, Senate Bill No. 21 was reported with amendments by a vote of 12 yeas and 0 nays. Representatives Huval, Boyd, Brown, DuBuisson, Edmonston, Firment, Frieman, Glover, Hollis, Illg, Mack, and Willard voted yea.

House Bill No. 831 by Representative Firment

Representative Firment presented House Bill No. 831, which provides for additional living expense coverage.

Representative Huval offered amendments to:

- (1) Specify that for the provisions of proposed law to apply, the total loss must be covered by the policy and caused by a peril covered by the policy.
- (2) Change the advance payment amount of additional living expense coverage from no less than three months of such coverage to an amount equal to the estimated value of three months of increased cost of living expenses required for the members of the household to maintain their normal standard of living.
- (3) Specify that further payments of additional living expense coverage shall be payable upon submission of satisfactory proof of loss, if it is determined that the actual cost of incurred additional living expenses exceed the amount advanced.
- (4) Provide that insurers may restrict advance payments in cases of suspected fraud.

Representative Huval offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 12 yeas and 0 nays. Representatives Huval, Boyd, Brown, DuBuisson, Edmonston, Firment, Frieman, Glover, Hollis, Illg, Mack, and Willard voted yea.

Luis Estevez, National Association of Public Insurance Adjusters, 2619 King Arthur Boulevard, Lewisville, TX 75056, (214) 232-7281, spoke in support of House Bill No. 831.

Joel Moore, National Association of Independent Insurance Adjusters (NAIIA), 13531 Charwell Crossing, Houston, TX 77069, (281) 731-7951, spoke in support of House Bill No. 831.

James Ordeneaux, Louisiana Farm Bureau, 701 Poydras Street, Suite 3800, New Orleans, LA 70139, (504) 586-5272, spoke in opposition to House Bill No. 831.

Kevin Cunningham, American Property Casualty Insurance Association (APCIA), 543 Spanish Town Road, Baton Rouge, LA 70802, (225) 381-0166, spoke in opposition to House Bill No. 831.

Representative Firmont offered a motion to report House Bill No. 831 with amendments. Without objection, House Bill No. 831 was reported with amendments by a vote of 11 yeas and 0 nays. Representatives Huval, Boyd, Brown, DuBuisson, Edmonston, Firmont, Frieman, Hollis, Ilg, Mack, and Willard voted yeas.

Witness cards submitted by individuals who did not speak are as follows: 1 in support and 1 in opposition. Witness cards are included in the committee records.

House Bill No. 931 by Representative Firmont

Representative Firmont presented House Bill No. 931, which provides for personal property coverage in a total loss under a homeowners' policy.

Representative Firmont offered a technical amendment. Representative Firmont offered a motion to adopt the proposed amendment. Without objection, the amendment was adopted by a vote of 11 yeas and 0 nays. Representatives Huval, Boyd, Brown, DuBuisson, Edmonston, Firmont, Frieman, Hollis, Ilg, Mack, and Willard voted yeas.

James Ordeneaux, Louisiana Farm Bureau, 701 Poydras Street, Suite 3800, New Orleans, LA 70139, (504) 586-5272, spoke in opposition to House Bill No. 931.

Joel Moore, NAIIA, 13531 Charwell Crossing, Houston, TX 77069, (281) 731-7951, spoke in support of House Bill No. 931.

Representative Firmont offered a motion to voluntarily defer action on House Bill No. 931. Without objection, action on House Bill No. 931 was voluntarily deferred by a vote of 10 yeas and 0 nays. Representatives Huval, Boyd, Brown, DuBuisson, Edmonston, Firmont, Frieman, Hollis, Mack, and Willard voted yeas.

Witness cards submitted by individuals who did not speak are as follows: 2 in opposition. Witness cards are included in the committee records.

House Bill No. 999 by Representative Firment

Representative Firment presented House Bill No. 999, which provides for public adjusters.

Representative Firment offered amendments to:

- (1) Delete the requirement that prior to the signing of the contract, the public adjuster shall provide the insured with a separate disclosure document regarding the claim process that states that the insured has the right to rescind the contract within 10 business days of the date the contract was signed.
- (2) Restore present law (R.S. 22:1704(H)).
- (3) Delete the requirement from the public adjuster standards of conduct in proposed law that would have prohibited a public adjuster from negotiating with or obtaining a statement from a claimant or witness at a time the claimant or witness would reasonably be expected to be in duress.
- (4) Specify that the requirement for public adjusters to provide claimants with written estimates of the loss or any other claim for payment of insurance proceeds within 60 days of the date the contract is executed applies to residential property claims.
- (5) Delete the requirement from the public adjuster standards of conduct in proposed law that would have required a public adjuster to ensure that prompt notice of the claim is given to the insurer.
- (6) Specify that a public adjuster shall ensure that the public adjuster's contract is provided to the insurer within 10 business days after the contract is executed.
- (7) Make technical changes.

Representative Firment offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 9 yeas and 0 nays. Representatives Huval, Boyd, DuBuisson, Firment, Frieman, Hollis, Illg, Mack, and Willard voted yea.

Representative Firment offered a motion to report House Bill No. 999 with amendments. Without objection, House Bill No. 999 was reported with amendments by a vote of 10 yeas and 0 nays. Representatives Huval, Boyd, DuBuisson, Edmonston, Firment, Frieman, Hollis, Illg, Mack, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 6 in support. Witness cards are included in the committee records.

Statements submitted in accordance with House Rule 14.33 in lieu of appearing before the committee are as follows: 1 in support. Copies of these statements are included in the committee records.

House Bill No. 537 by Representative Davis

Representative Davis presented House Bill No. 537, which requires health insurance coverage for infertility treatments.

Representative Huval offered amendments to:

- (1) Add intrauterine insemination, IVF procedures, and standard fertility preservation services for insurance coverage pursuant to proposed law.
- (2) Define "health coverage plan".
- (3) Decrease the required history of infertility from five years to one year.
- (4) Remove exposure in utero to diethylstilbestrol (DES) as a condition for which a patient may present as a reason for infertility.
- (5) Add polycystic ovary syndrome and male factor infertility as conditions for which a patient may present as reasons for infertility.
- (6) Require a patient to have experienced as least three unsuccessful intrauterine inseminations prior to coverage eligibility for IVF procedures.
- (7) Add conditions for patient coverage eligibility for standard fertility preservation services. Require a patient to have a medical condition that may cause infertility or an expectation of undergoing a medical treatment, including but not limited to chemotherapy and radiation, that is recognized by medical professionals to cause a risk of impairment to fertility. Further add that standard fertility preservation services are "standard" as recognized by the American Society of Clinical Oncology or the American Society for Reproductive Medicine.
- (8) Exempt an organization that opposes providing coverage on account of religious objections, operates and is organized as a nonprofit entity, and holds itself out as a religious organization.

Representative Huval offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 11 yeas and 0 nays. Representatives Huval, Boyd, Brown, DuBuisson, Edmonston, Frieman, Green, Hollis, Ilg, Mack, and Willard voted yea.

Julie Stokes, Cancer Advocacy Group of Louisiana, 13 Chateau Rue Du Jardin, Kenner, LA 70065, (504) 250-8113, spoke in support of House Bill No. 537.

Natalie Rowe, 3010 Slidell Avenue, Slidell, LA 70458, (504) 628-1950, spoke in support of House Bill No. 537.

Kristen Pleasant, 3212 Stowers Drive, Monroe, LA 71201, (225) 284-7519, spoke in support of House Bill No. 537.

David Couvillon, Office of Group Benefits, 1201 N. Third Street, Suite G-159, Baton Rouge, LA 70802, (225) 342-9670, spoke for information only on House Bill No. 537.

Patsy Brown, 206 Frenchman's Bend Place, Monroe, LA 71203, (318) 329-9197, spoke in support of House Bill No. 537.

Jeff Drozda, Louisiana Association of Health Plans, 450 Laurel Street, Suite 1850, Baton Rouge, LA 70801, (225) 378-3206, spoke in opposition to House Bill No. 537.

Representative Jeremy Lacombe, District No. 18, P.O. Box 370, Livonia, LA 70755, (225) 637 3803, spoke in support of House Bill No. 537.

Representative Green offered a motion to report House Bill No. 537 with amendments. Without objection, House Bill No. 537 was reported with amendments by a vote of 12 yeas and 0 nays. Representatives Huval, Boyd, Brown, DuBuisson, Edmonston, Firment, Frieman, Green, Hollis, Ilg, Mack, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 3 in support and 2 in opposition. Witness cards are included in the committee records.

Statements submitted in accordance with House Rule 14.33 in lieu of appearing before the committee are as follows: 9 in support. Copies of these statements are included in the committee records.

Representative Brown in the chair.

House Bill No. 532 by Representative Huval

This is a continuation of the discussion on House Bill No. 532 from March 23, 2022. Please check for the prior action to complete the record of discussion and motions on House Bill No. 532.

Representative Huval presented House Bill No. 532, which provides relative to health insurance coverage for fire employees.

Representative Huval offered a motion to reconsider the previously adopted amendment from the March 23, 2022, committee meeting for the purpose of withdrawing the amendment on House Bill No. 532. Without objection, the previously adopted amendment on House Bill No. 532 was withdrawn by a vote of 12 yeas and 0 nays. Representatives Huval, Boyd, Brown, DuBuisson, Edmonston, Firment, Frieman, Green, Hollis, Illg, Mack, and Willard voted yea.

Butch Browning, State Fire Marshal, 8181 Independence Boulevard, Baton Rouge, LA 70806, (225) 806-0803, spoke for information only on House Bill No. 532.

Chad Major, Professional Firefighters Association of Louisiana, 1339 Highway 67, Slaughter, LA 70777, (225) 572-8483, spoke in support of House Bill No. 532.

Frank Opelka, LDI, 1702 N. Third Street, Baton Rouge, LA 70802, (225) 342-5900, spoke for information only on House Bill No. 532.

Representative Huval offered a motion to report House Bill No. 532 favorably. Without objection, House Bill No. 532 was reported favorably by a vote of 11 yeas and 0 nays. Representatives Huval, Boyd, Brown, DuBuisson, Edmonston, Firment, Frieman, Green, Hollis, Illg, and Mack voted yea.

Witness cards submitted by individuals who did not speak are as follows: 18 in support. Witness cards are included in the committee records.

Statements submitted in accordance with House Rule 14.33 in lieu of appearing before the committee are as follows: 2 in support. Copies of these statements are included in the committee records.

House Bill No. 936 by Representative Huval

Representative Huval presented House Bill No. 936, which provides for the payment and adjustment of claims.

Representative Huval offered amendments to:

- (1) Change the term "claimant" to "insured" throughout present and proposed law.

- (2) Specify that an insurer shall accept or reject a claim within 15 business days of receiving any items, statements, and forms required by the insurer to determine satisfactory proof of loss.

Representative Huval offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 10 yeas and 0 nays. Representatives Huval, Boyd, Brown, DuBuisson, Firment, Frieman, Green, Hollis, Illg, and Mack voted yea.

James Donelon, LDI, 1702 N. Third Street, Baton Rouge, LA 70802, (225) 342-7275, spoke in support of House Bill No. 936.

Jeff Albright, Independent Insurance Agents and Brokers of Louisiana, 18153 East Petroleum Drive, Baton Rouge, LA 70809, (225) 236-1366, spoke in support of House Bill No. 936.

James Ordeneaux, Louisiana Farm Bureau Mutual, 701 Poydras Street, Suite 3800, New Orleans, LA 70139, (504) 586-5272, spoke in opposition to House Bill No. 936.

Eric Holl, Real Reform Louisiana, 640 Lakeland Drive, Baton Rouge, LA 70802, (703) 399-4841, spoke in opposition to House Bill No. 936.

Representative Huval offered a motion to report House Bill No. 936 with amendments. Without objection, House Bill No. 936 was reported with amendments by a vote of 10 yeas and 0 nays. Representatives Huval, Boyd, Brown, DuBuisson, Firment, Green, Hollis, Illg, Mack, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 2 in opposition. Witness cards are included in the committee records.

IV. OTHER BUSINESS

There was no other business.

V. ANNOUNCEMENTS

There were no announcements.

VI. ADJOURNMENT

Representative DuBuisson offered a motion to adjourn. Without objection, the motion passed by a vote of 10 yeas and 0 nays. Representatives Huval, Boyd, Brown, DuBuisson, Firment, Green, Hollis, Illg, Mack, and Willard voted yea.

The meeting was adjourned at 12:16 p.m.

Respectfully submitted,

Chairman Mike Huval
House Committee on Insurance

Date adopted: