

House Committee on Insurance

Minutes of Meeting
2022 Regular Session
May 24, 2022

I. CALL TO ORDER

Representative Mike Huval, chairman of the House Committee on Insurance, called the meeting to order at 9:41 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 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 Matthew Willard

MEMBERS ABSENT:

Representative Chad Brown
Representative Sherman Q. Mack

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

Senate Bill No. 428 by Senator Robert Mills

Senator Robert Mills presented Senate Bill No. 428, which prohibits the reduction of policy limits based on defense expenses.

Representative Huval offered amendments to:

- (1) Restore present law.
- (2) Restore a provision in present law providing for the power of the commissioner to waive the prohibition on reducing liability limits based on expenses of defense in certain circumstances.
- (3) Make technical changes.

Representative Huval 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, Green, Hollis, Jordan, and Willard voted yea.

Representative Jordan offered a motion to report Senate Bill No. 428 with amendments. Without objection, Senate Bill No. 428 was reported with amendments by a vote of 9 yeas and 0 nays. Representatives Huval, Boyd, DuBuisson, Firment, Frieman, Green, Hollis, Jordan, and Willard voted yea.

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

Senate Bill No. 212 by Senator Stine

Senator Stine presented Senate Bill No. 212, which establishes the Hurricane Mediation Program.

Representative Huval offered a technical amendment. Representative Huval offered a motion to adopt the proposed amendment. Without objection, the amendment was adopted by a vote of 10 yeas and 0 nays. Representatives Huval, Boyd, DuBuisson, Firment, Frieman, Green, Hollis, Illg, Jordan, and Willard voted yea.

Jimmy Ordeneaux, Louisiana Farm Bureau Mutual insurance Company, 701 Poydras Street, Suite 3800, New Orleans, LA 70139, (504) 586-5272, spoke in opposition to Senate Bill No. 212.

Representative Green offered a motion to report Senate Bill No. 212 with amendments. Without objection, Senate Bill No. 212 was reported with amendments by a vote of 9 yeas and 0 nays. Representatives Huval, Boyd, DuBuisson, Firment, Frieman, Green, Illg, Jordan, and Willard voted yea.

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.

Senate Bill No. 186 by Senator Henry

Senator Henry presented Senate Bill No. 186, which provides relative to public adjuster fees.

Representative Huval offered amendments to:

- (1) Provide that a public adjuster shall not require, demand, or accept any fee, retainer, compensation, deposit, or other thing of value from an insured prior to the insurer making payment on a claim.
- (2) Provide that if a public adjuster's compensation is based on a share of the insurance settlement, the exact percentage shall be specified in the contract.
- (3) Provide that initial expenses to be reimbursed to the public adjuster from proceeds of a claim payment shall be specified by type with dollar estimates set forth in the contract and with any additional expenses approved by the insured, prior to payment.
- (4) Provide that the disclosure form shall be signed prior to or at the signing of the public adjuster contract.
- (5) Provide that the disclosure form shall include the public adjuster payment options and the amount of the flat fee, the hourly rate charged, and the percentage to be applied, respectively.
- (6) Provide certain payment provisions that apply if a public adjuster contract provides for compensation by a percentage fee and the insured terminates the contract.

Representative Huval offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 8 yeas and 0 nays. Representatives Huval, Boyd, DuBuisson, Firment, Frieman, Illg, Jordan, and Willard voted yea.

Michael Cox, 723 Broad Street, Lake Charles, LA 70601, (337) 436-6611, spoke in support of Senate Bill No. 186.

Clay Morrison, National Association of Public Insurance Adjusters (NAPIA), 2951 Marina Bay Drive, #130-315, League City, TX 77573, (281) 554-7077, spoke in support of Senate Bill No. 186.

Matthew Stewart, Louisiana Department of Insurance, 1702 N. Third Street, Baton Rouge, LA 70802, (225) 219-5941, spoke for information only on Senate Bill No. 186.

Kermith Sonnier, Accord Services, 3611 Kirkman Street, Lake Charles, LA 70607, (337) 990-5283, spoke in support of Senate Bill No. 186.

Lenny Kopowski, NAPIA, 10877 Airline Highway, Saint Rose, LA 70087, (504) 606-8635, spoke in support of Senate Bill No. 186.

Luis Esteves, NAPIA, 17130 N. Dallas Parkway, Dallas, TX 75248, (214) 232-7281, spoke in support of Senate Bill No. 186.

Rudie Soileau, Jr., 501 Broad Street, Lake Charles, LA 70601, (337) 439-0707, spoke in opposition to Senate Bill No. 186.

Jimmy Ordeneaux, Louisiana Farm Bureau Mutual Insurance Company, 701 Poydras Street, Suite 3800, New Orleans, LA 70139, (504) 586-5272, spoke in opposition to Senate Bill No. 186.

Jeff Albright, Independent Insurance Agents and Brokers of Louisiana, 18153 E. Petroleum Drive, Baton Rouge, LA 70809, (225) 975-7171, spoke in opposition to Senate Bill No. 186.

Matthew Monson, 900 W. Causeway Approach, Mandeville, LA 70471, (504) 289-4939, spoke in opposition to Senate Bill No. 186.

Representative Jordan in the chair.

Representative Huval in the chair.

Representative Firmont offered a motion to report Senate Bill No. 186 with amendments. After discussion, Representative Firmont withdrew the motion.

Representative Frieman offered a motion to report Senate Bill No. 186 with amendments, to which Representative Jordan objected. The administrative assistant called the roll, and Senate Bill No. 186 was reported with amendments by a vote of 6 yeas, 2 nays, and 1 abstention. Representatives Boyd, DuBuisson, Edmonston, Firmont, Frieman, and Hollis voted yea. Representatives Illg and Jordan voted nay. Representative Huval abstained.

Witness cards submitted by individuals who did not speak are as follows: 1 in support and 10 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

The meeting was adjourned at 12:05 p.m.

Respectfully submitted,

Chairman Mike Huval
House Committee on Insurance

Date adopted: