

April 21, 2014

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Louisiana House Insurance Committee

HB 909: Support for The Homeowners Property Insurance Clarity Act

Distinguished Members:

We are writing to share relevant information and voice our strong support for HB 909 (Leopold). This bill will be an aid to the thousands of home and business owners in Louisiana who have struggled to adapt to the extreme post-Katrina changes in the property insurance marketplace. By allowing insurance buyers to access information on rates and claims, it will increase the general level of understanding of these matters and very likely restore confidence in the private insurance system.

“We” are United Policyholders (“UP”), a non-profit that speaks for people and businesses in Louisiana and across the nation who buy insurance either by choice or because they are legally required to do so. Through “Roadmap to Preparedness™” and “Roadmap to Recovery™” Programs, UP disseminates information, tools and resources for insurance consumers. UP hosts a library of materials related to commercial and personal lines insurance products, coverage, and the claims process www.uphelp.org.

Through our work in Louisiana post-Katrina and in the intervening years we have had the privilege of working with Commissioner Donelon and his staff to help consumers contend with increased costs and decreased availability of property insurance. We sincerely believe that HB909 will help restore a healthy competitive home insurance marketplace in the state.

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As this body is likely well aware, property owners in all the Gulf Coast states have been experiencing affordability and availability challenges related to home insurance, and each state is appropriately tackling the challenges in its own way. The public information system that HB909 will institute makes sense everywhere, regardless of the state of the marketplace or the governmental and private solutions that have been adopted to ensure access to dwelling coverage.

Alabama adopted a version of HB909 last year that is giving consumers access to information about ratemaking and claims handling.¹ Many other states, including California, currently require similar disclosures. We strongly encourage Louisiana to join the growing number of consumer-friendly states in bringing "clarity" to insurance ratemaking.

UP is a non-profit 501(c) (3) organization founded in California in 1991 that is a voice and an information resource for insurance consumers in all 50 states. Donations, foundation grants, and volunteer attorneys, law professors, claim professionals, and outreach staff in all 50 states support the organization's work. UP does not sell insurance or accept funding from insurance companies. Several Louisiana insurance agents serve on UP's Agent-Broker Advisory Panel and help us monitor the home insurance marketplace in the state.

Thank you in advance for your consideration of both HB 909 and our letter in support.

Sincerely,

A handwritten signature in cursive script that reads "Amy Bach".

Amy Bach, Esq.
Executive Director