



May 10, 2023

Jim Donelon, Louisiana Commissioner of Insurance
Via Email: jdonelon@ldi.la.gov

RE: HB489, Representative Mike Huval – STRONGLY OPPOSE

Dear Commissioner Donelon,

United Policyholders, (“UP”) writes to express our strong opposition to the above referenced measure on the grounds that it will **worsen** the insurance availability and affordability crisis that so many Louisiana home and business owners are struggling to contend with.

Dismantling Louisiana’s prior approval system will cost Louisiana property owners dearly and make a bad situation much worse. There are global and national economic forces contributing to today’s “hard” P/C marketplace – Louisiana’s prior approval system is **not** the problem.

Naturally, insurers want the freedom to raise their rates as often and as much as they please and pass along reinsurance costs to their policyholders. Individual insurers and their trade associations are constantly lobbying for deregulation, and are now trying to sell this as a quick fix here. Stripping your agency of the ability to review rate increase requests to make sure they’re fair and not excessive is the last thing Louisiana needs right now.

You use your prior approval authority sparingly, are constantly dialoging with insurers to problem solve, yet home insurance rates are already an untenable economic burden on hundreds of thousands of residents. The prior approval system is a **critical** check and balance.

UP is a 32 year-old national insurance consumer non-profit organization that has been helping Louisiana home and business policyholders keep their assets insured and navigate disaster recovery since 2005, often in coordination with your agency. UP is a respected voice on insurance matters in legislatures and courts across the country, the National Conference of Insurance Legislators, the National Association of Insurance Commissioners and in print, digital and broadcast media. Our website, www.uphelp.org gets over a half million visitors annually.

Thank you for your time and consideration,

Amy Bach, Executive Director
Amy.Bach@uphelp.org