

**Written Notice of Renewal for Property,  
Casualty and Liability Insurance Policies**

**Senate Resolution 90  
(SR 90)**

**Report to the Legislature**



**Louisiana Department of Insurance**

**James J. Donelon, Commissioner**

# SR 90

To study the need for written notice of renewal for property, casualty and liability insurance policies.

Commissioner of Insurance – February 1, 2023

## Background of SR 90

SR 90 of the 2022 Regular Session, authored by Senator Mike Fesi, set forth an “urge and request that the Commissioner of Insurance study the need for written notice of renewal for property, casualty and liability insurance policies.”

SR 90 was preceded by Senate Bill 105 (SB 105), which was also authored by Senator Mike Fesi. SB 105 proposed to enact a new statutory provision, La.R.S. 22:1266.1, which would have required an insurer writing property, casualty and liability policies in the state of Louisiana to mail or deliver a written notice of any renewal, rate increase, change in deductible or reduction in limits or coverage at least thirty (30) days prior to the expiration of a policy. The proposed statutory provision would have also required an insurer to continue coverage for an expiring policy at the same rates, terms and conditions until a policyholder had been issued a written notice of renewal or until a policyholder obtained replacement coverage, whichever occurred first. This newly enacted provision would not have been applicable to any commercial policies that are regulated pursuant to La.R.S. 22:1267.

## Survey of active companies in the Louisiana Property and Casualty Insurance Market

On December 8, 2022, a survey was issued by electronic delivery on behalf of Commissioner Donelon to twenty-six (26) insurance companies and insurance groups that were actively issuing policies in the Louisiana Property and Casualty insurance market as of year-end 2021. The same survey was also issued to Lloyd’s America, Incorporated and the Wholesale and Specialty Insurance Association, a surplus lines trade organization. The survey posed the following requests for information:

1. Provide any information relative to your company’s internal timeline and process for the renewal of any property, casualty or liability policies. Please specify the number of days in advance of a policy’s expiration date that your company issues a written notice of renewal.
2. Provide an explanation as to the costs and benefits, from the perspective of an insured and an insurer, of mandating that an insurance company issue a written notice of renewal to a property, casualty or liability policyholder at least thirty (30) days in advance of a policy’s expiration date.
3. Provide the names of any states where your company is required to issue a notice of renewal to any property, casualty or liability policyholders at least thirty (30) days in advance of a policy’s expiration date.

The responses to the survey have been attached in the Appendix section of this report.



## Louisiana Law – Notice of Renewal for Commercial Policies

Current Louisiana law (La.R.S. 22:1267 (E)) requires that an insurer issuing commercial insurance policies, as set forth in La.R.S. 22:1667 (A), mail or deliver to the named insured written notice of any rate increase, change in deductible, or reduction in limits or coverage at least thirty (30) days prior to the expiration of the policy. If an insurer fails to provide the thirty (30) day notice, then coverage for the insured shall continue at the same rates, terms and conditions of the expiring policy until the notice is issued or until the insured is able to secure replacement coverage, whichever occurs first. There is no current law that requires the issuance of a notice of renewal for personal lines policies or surplus lines policies.

## Findings and Recommendations

The Louisiana Department of Insurance (LDI) finds the following:

1. The surveyed companies that are licensed in the state of Louisiana assert that it is a standard industry practice to issue renewal quotes at least thirty (30) days prior to the expiration of a policy.
2. The surveyed companies have expressed that the timing for issuance of renewal quotes may differ based on the coverage types that are offered.
3. In response to the second request, a majority of the surveyed companies responded that there would be no additional costs incurred in providing a renewal notice at least thirty (30) days prior to the expiration of policy on the basis that renewal notices are being issued thirty days or more prior to the expiration of a policy at the present. However, a few companies responded that there may be some costs incurred if the delivery of a renewal notice was required to be performed in a specified format. All of the surveyed companies noted that an advanced notice of renewal would provide a policyholder with an opportunity to seek clarification regarding any changes made to any coverages going forward and to make any changes to the coverage offered by way of the policy, if necessary.
4. In the responses provided, the surveyed companies acknowledged that there are several states that require notices of renewal to be issued at least thirty (30) days prior to the expiration of a policy for at least one (1) line of business. The following is a list of those states and notable timeframes for advanced notices of renewal:

**Alabama, Alaska, Arkansas, Colorado, Connecticut, Delaware (Homeowners' coverage), Georgia, Illinois, Kansas, Kentucky, Louisiana, Maryland, Minnesota, Mississippi, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Ohio, Oregon (Homeowners' coverage), Pennsylvania, Rhode Island, South Carolina, Texas, Tennessee, Vermont, Virginia, West Virginia and Wyoming.**

The following states have statutory provisions that require the issuance of a renewal notice in excess of thirty (30) days from the expiration of a policy:

**California – Forty-five (45) day advance notice for personal lines policies**

**Florida – Forty-five (45) day advance notice for commercial lines policies; Forty (40) day advance notice for automobile policies; Fifty (50) day advance notice for homeowners' policies**

**Oklahoma – Thirty-five (35) day advance notice for automobile policies; Fifty (50) day advance notice for homeowners' policies**

5. Jeff Albright of the Independent Agents and Brokers Association of Louisiana provided the following comments:

*“The Independent Insurance Agents & Brokers of Louisiana has received numerous complaints from agents statewide in recent years regarding the delivery of commercial account renewal terms within a few days of expiration. This leaves the agent and policyholder unable to shop for better terms when the renewal offer is unfavorable for the policyholder. This problem exists in both the admitted and non-admitted markets. Existing statute R.S. 22:1267 as outlined in LDI Advisory Letter 2021-03 already requires admitted insurers to deliver renewal terms at least 30-days before expiration. This has improved the situation in the admitted market, although some admitted insurer renewals are still delivered shortly before expiration. R.S. 22:1267 does not apply to non-admitted insurers and as a result the problem with late delivery of renewal terms is much worse among non-admitted insurers.”*

6. Sabrina A. Miesowitz of Lloyd’s America, Incorporated provided the following statement:

*“This response is submitted on behalf of Underwriters at Lloyd’s. We appreciate the opportunity to share the views of our market in regard to SR 90. Lloyd’s provides guidance to our market regarding their US regulatory compliance obligations, including cancellation and nonrenewal requirements. Our research indicates the following:*

- *Most states require a notice of nonrenewal to be issued for personal lines property policies at least 30 days prior to the anniversary date of the policy.*
  - *About one third of states have a longer notice requirement (such as 45 or 60 days).*
- *Most states also have a requirement, like that memorialized in LRS 22:41.1, that the insurer send a notice if it is offering renewal but with changes in coverage.*
  - *These change notices are typically required in the same timeframe as the nonrenewal notice.*
  - *The trigger for change notices varies by state but common triggers include a premium increase greater than a certain percentage (such as 10%), a reduction in limits or coverage or a change in the conditions of coverage (such as a change from replacement cost to actual cash value).*
  - *We note that LRS 22:41.1 already requires that insurers “provide each policyholder with a written notification outlining any reduction in coverage in policy provisions at renewal” and this requirement applies to all policies.*
- *Approximately 50% of the states apply these notice requirements to surplus lines insurers, as Louisiana does.*
- *Only a handful of states require a written notice of renewal at each policy anniversary date even when no change is being made to the coverage.*

*As you know, Lloyd’s is a market, and it is the individual syndicates that determine the processes for handling the policies they underwrite. However, we believe that it is not common practice for our underwriters to provide a written notice of renewal when no changes are being made to the coverage, unless state requirements mandate that they do. In our view, the circumstance where notice is most valuable to a policyholder is where there will be a change in coverage. We think the best avenue for addressing this issue is the existing change notice requirement set forth in LRS 22:41.1. This type of notice is far more valuable than requiring notice for every policy renewal. If notice is provided at every policy anniversary date, it becomes a routine exercise and policyholders may not be as attuned when policy changes are outlined. By contrast, a notice provided only when changes are being made to the policy is much more likely to grab the policyholder’s attention. We believe that the issue raised by SR 90, is already addressed in the existing requirement of LRS 22:41.1.”*



## **Recommendation**

Based upon discussions with industry representatives, the finding is that issuance of advance notices of renewal by surplus lines companies is not specifically mandated by current statutory provisions. It would be a recommendation of the Louisiana Department of Insurance that the House and Senate Insurance Committees hold further discussions as to whether a revision to current law or the enactment of a new statutory provision is needed to address this issue.

# APPENDIX



*Joyce Hall Mellinger*  
Senior Vice President and  
Associate General Counsel



January 6, 2023

**VIA ELECTRONIC MAIL ONLY**

Mr. Chuck Myers  
Deputy Commissioner  
Office of Property & Casualty  
Louisiana Department of Insurance  
P.O. Box 94214  
Baton Rouge, LA 70804-9214

**RE: Senate Resolution Number 90  
Louisiana Legislature  
2022 Regular Session**

Dear Mr. Myers:

Thank you for your inquiry. As an initial matter, Zurich Insurance Group is a holding company rather than an admitted insurer in the State of Louisiana. As such, please allow this letter to serve as the response of the following entities (collectively "Zurich"):

Zurich North America

Mobile: 410-869-2506  
joyce.mellinger@zurichna.com

- American Guarantee and Liability Insurance Company, NAIC #26247;
- American Zurich Insurance Company, NAIC #40142;
- Colonial American Casualty and Surety Co., NAIC #34347;
- Empire Fire and Marine Insurance Company, NAIC #21326;
- Fidelity and Deposit Company of Maryland, NAIC #39306;
- Universal Underwriters Insurance Company, NAIC #41181;
- Zurich American Insurance Company, NAIC #16535;
- Zurich American Insurance Company of Illinois, NAIC #27855

to the request of the Louisiana Department of Insurance's ("Department") communication of December 8, 2022, regarding the above-referenced matter.

Most of the business that Zurich writes is commercial business. We also write a small homeowners book of business in thirteen states, including Louisiana. Purchasers of commercial insurance typically complete the transaction through a producer and rarely, if ever, correspond directly with the insurer. With this background, Zurich responds as follows:

1. *Provide any information relative to your company's internal timeline and process for the renewal of any property, casualty or liability policies. Please specify the number of days in advance of a policy's expiration date that your company issues a written notice of renewal.*



For commercial business, the general renewal process is as follows:

Information gathering for renewals begins between 120 and 150 days ahead of the renewal effective date. At this time, the underwriting team refreshes its familiarity with the account characteristics and may engage with internal partners to consult on renewal strategy. The ultimate decision to renew, non-renew, or conditionally renew is made between 120 days to the expiration of the policy and the Louisiana state-mandated deadlines for conditional and non-renewal – 30 days for conditional renewal and 60 days for non-renewal.

If there is an adverse premium or adverse policy change, the insured will receive a conditional renewal notice.

If the decision is to simply renew, then the underwriting team reaches out to the producer and requests a renewal solicitation. Once the underwriting team receives the information request back from the producer, they will deliver a proposal to the producer. The producer will then either deliver the proposal to the insured or compile the proposal into a list with multiple proposals and present the list to the insured for a decision.

For the homeowners book of business, the general renewal process is as follows:

Renewal offers are sent a minimum of 30 days in advance of the renewal effective date in Louisiana. Zurich adds six mailing days to cover weekends and holidays. As such, the offers are actually mailed at a minimum between 33 and 36 days prior to the expiration of the policy.

- 2. Provide an explanation as to the costs and benefits, from the perspective of an insured and an insurer, of mandating that an insurance company issue a written notice of renewal to a property, casualty or liability policyholder at least thirty (30) days in advance of a policy's expiration date.*

From the perspective of a commercial insured, mandating that a commercial insurance company issue an additional written notice of renewal does not provide any real benefit simply because the existing requirements for conditional and non-renewal already serve this same purpose. An insured will be notified 60 days ahead of expiration if a policy is being non-renewed and 30 days ahead of expiration when a conditional renewal notice is sent for any increase in rate or adverse change to policy terms. In addition, and as stated previously, purchasers of commercial insurance typically complete the transaction through a producer and they generally prefer to receive insurance-related communication through this relationship. Further, commercial insureds are typically more sophisticated with risk managers that oversee and coordinate the insurance program.

From the perspective of the commercial insurer, a mandate of this nature does not add any value to the transaction. The insured presumably already knows the policy will renew once they have accepted an insurer's proposal, have communicated that acceptance to their producer, and received confirmation back from the producer when the policy will be effective. This mandate would simply increase costs, paperwork, and add an additional unnecessary transaction.

With regards to the homeowners personal lines perspective, a mandate is also irrelevant, as Zurich is already sending renewal offers a minimum of 33 days prior to the expiration of the policy.





3. *Provide the names of any states where your company is required to issue a notice of renewal to any property, casualty or liability policyholders at least thirty (30) days in advance of a policy's expiration date.*

We once again need to make some important distinctions to provide a response. First, we must distinguish between commercial insurance and personal lines insurance. Then, it is important to distinguish between a general renewal notice versus adverse change notices, such as conditional renewal and/or non-renewal and cancellation notices.

For commercial insurance, Florida requires a notice of renewal premium to be sent 45 days in advance of policy expiration if all renewal information is available. Upon information and belief, this is the only state which requires an affirmative notice of renewal for commercial insurance policies regardless of whether policy terms or premiums are changing.

For personal lines insurance, New York, Texas, and Virginia require an offer of renewal to be sent at least 30 days prior to the expiration of the policy. California requires an offer of renewal to be sent at least 45 days prior to the expiration of the policy. These are the only states where Zurich has personal lines exposure with renewal offer requirements for personal lines insurance. We are not aware of other states that may have mandated renewal requirements.

For the statutory conditional renewal and/or non-renewal and cancellation notices for both commercial lines and the homeowners book of business, Zurich follows the statutory lead time requirements of each state. These are usually triggered when adverse changes are made to the renewal policy, including premium changes.

Should you have any questions or need further information, please do not hesitate to contact me.

Very truly yours,

A handwritten signature in black ink that reads 'Joyce Hall Mellinger'. The signature is written in a cursive, flowing style.

Joyce Hall Mellinger  
Senior Vice President and Associate General Counsel



Richard Wolfe CPCU, ARC, API, AINS, MCM  
Regulatory Affairs Senior Manager  
6301 Owensmouth Ave.  
Woodland Hills, CA 91367  
Tel: (818) 965-0152

*Sent via email only to: [chuck.myers@ldi.la.gov](mailto:chuck.myers@ldi.la.gov)*

January 3, 2023

Office of Property & Casualty  
Louisiana Department of Insurance  
P.O. Box 94214  
Baton Rouge, LA 70804-9214  
Attention: Deputy Commissioner Chuck Myers

Re: Louisiana Senate Resolution 90

Dear Mr. Myers:

This letter is in response to your December 8, 2022 letter to Foremost Insurance Group requesting additional information regarding written notice of renewal for property, casualty and liability insurance policies. We appreciate the opportunity to provide you with the requested information. Please note that, while your request was directed to "Foremost Insurance Group", we are providing you with information reflecting the procedures of the following Foremost entities, which are licensed in the state of Louisiana and are part of the Farmers Insurance Group of Companies®:

- Foremost Insurance Company Grand Rapids, Michigan
- Foremost Signature Insurance Company
- Foremost Property & Casualty Insurance Company

To ease your review, please find included below copies of your original inquiries followed immediately by our response:

- 1. Provide information relative to your company's internal timeline and process for the renewal of any property, casualty or liability policies. Please specify the number of days in advance of a policy's expiration date that your company issues a written notice of renewal.**

The renewal of any property, casualty or liability policy is handled automatically by the Company's policy processing system. A written notice of renewal mails to policyholders thirty-five days in advance of a policy's expiration date.

- 2. Provide an explanation as to the costs and benefits, from the perspective of an insured and an insurer, of mandating that an insurance company issue a written notice of renewal to a property, casualty or liability policyholder at least thirty days in advance of a policy's expiration date.**

The Company cannot offer the perspective of an insured or their perceived costs/benefits of mandating that an insurance company issue a written notice of renewal to a property, casualty or liability policyholder at least thirty days in advance of a policy's expiration date.



The Company does generally believe that prompt, timely, and clear communication of renewal details assists policyholders in making informed decisions about their insurance coverage and assists insurers in resolving any policy-related issues before the expiration of the existing policy term. Identifying and resolving such issues prior to the expiration of the policy term may help to reduce costs stemming from changes to the policy and reissuance of documents to the insured. While additional regulation invariably increases insurer costs in order to ensure compliance with that regulation, the Company views such cost to be minor since our standard business practice already exceeds the thirty-day timeframe.

**3. Provide the names of any state where your company is required to issue a notice of renewal to any property, casualty or liability policyholders at least thirty days in advance of a policy's expiration date.**

There are no states where the Company issues a notice of renewal to any property, casualty or liability policyholders less than thirty days in advance of a policy's expiration date.

Information in this letter and the documents enclosed which may constitute confidential personally identifiable, financial or trade secret information is exempt from disclosure under applicable Public Records Acts or Open Records Laws. Non-public personal information, as defined in the Gramm-Leach-Bliley Act, cannot be distributed to third parties, other than the Department and the individual(s) to whom it pertains. Information marked "confidential" and/or "trade secret" is likewise exempt from disclosure under applicable Public Records Acts or Open Records Laws, and release of this information would cause us irreparable harm and would permit our competitors to obtain an unfair competitive advantage. Accordingly, we request that your agency promptly notify us about any Public Records or Open Records request that is made which would lead to the disclosure of our confidential information, as required by law.

Should you have any further questions, please let us know.

Respectfully,

*Richard Wolfe*

Richard Wolfe



January 6, 2023

Charles B. Hansberry, III, Esq. PIR  
Assistant Deputy Commissioner  
Office of Property and Casualty  
Louisiana Department of Insurance  
(225) 342-5213 (telephone)  
(225) 342-6057 (facsimile)

Sent via email to: [Charles.Hansberry@ldi.la.gov](mailto:Charles.Hansberry@ldi.la.gov)

**RE: Senate Resolution Number 90  
Louisiana Legislature  
2022 Regular Session**

Dear Mr. Hansberry,

Please see our response below regarding the Senate Resolution 90 request.

1. Provide any information relative to your company's internal timeline and process for the renewal of any property, casualty or liability policies. Please specify the number of days in advance of a policy's expiration date that your company issues a written notice of renewal.

Company Response: USAA and its subsidiaries approximately 90 days before processing the renewal of property, casualty or liability policies, underwriting reviews are performed to account for new underwriting activity or information to be considered on the policy. Policy renewal documents including a declarations page are generated thirty-six (36) & sixty (60) days prior to a renewal effective date, for auto and property policies respectively.

2. Provide an explanation as to the cost and benefits, from the perspective of an insured and an insurer, of mandating that an insurance company issue a written notice of renewal to a property, casualty or liability policyholder at least thirty (30) days in advance of a policy's expiration date.

Company Response: USAA and its subsidiaries currently exceed the thirty (30) days written notice of renewal requirement being proposed by Senate Resolution 90. Mandating a minimum written notice of renewal would not provide additional benefits to our company; however, incur some costs to review regulatory change management with the implementation of a new law. From an insured's perspective, there would be no added benefit for additional days advance renewal notification they are receiving present day.

9800 Fredericksburg Road  
San Antonio, Texas 78288



3. Provide the names of any states where your company is required to issue a notice of renewal to any property, casualty or liability policyholders at least thirty (30) days in advance of a policy's expiration date.

Company Response: Our company is aware of at least 29 states (AL, AR, CO, CT, FL, IL, IA, KS, KY, ME, MD, MS, MT, NV, NH, NJ, NM, NC, OK, OR, PA, RI, TN, TX, VT, VA, WV, WI, WY) which have imposed law or regulatory requirements of advance notice of renewal, at least 30 days prior to a policy effective date.

Mr. Hansberry, should you have additional questions, please contact me at (210) 665-2190 or via email at [portia.henry@usaa.com](mailto:portia.henry@usaa.com).

Respectfully,

A handwritten signature in black ink, appearing to read "Portia Henry", with a long horizontal flourish extending to the right.

Portia Henry  
Compliance Risk Manager Senior  
P&C Insurance Compliance  
Insurance Compliance, Enterprise Risk and Compliance  
United Services Automobile Association





December 14, 2022

Louisiana Department of Insurance  
Attn: Chuck Myers  
1702 N 3rd St.  
Baton Rouge, LA 70802-5143

Re: Bankers Insurance Company - Senate Resolution Number 90

Dear Chuck Myers:

I am writing in response to your request dated December 8, 2022 regarding the Louisiana Senate Resolution 90. Our responses are noted below.

1. *Provide any information relative to your company's internal timeline and process for the renewal of any property, casualty, or liability policies. Please specify the number of days in advance of a policy's expiration date that your company issues a written notice or renewal.*

**Response: We issue renewal quotes 50 days before a policy's expiration date for all active Louisiana products.**

2. *Provide an explanation as to the costs and benefits, from the perspective of an insured and an insurer, of mandating that an insurance company issue a written notice of renewal to a property, casualty, or liability policyholder at least thirty (30) days in advance of a policy's expiration date.*

**Response: Sending a notice of renewal to a policyholder well in advance of the policy's expiration date allows the insured to plan for the payment of that renewal if the price has changed, and to explore alternative coverage offerings should they be interested in revising their policy. Should the insured be interested in revising any of their coverages at renewal, earlier notification to the insurer allows for more time to confirm the changes and follow up on any additional questions that need to be addressed prior to the effective date of the renewal.**

3. *Provide the names of any states where your company is required to issue a notice of renewal to any property, casualty, or liability policyholder at least thirty (30) days in advance of a policy's expiration date.*

**Response: We send renewal quotes 35 days in advance of a policy's expiration date in our active products in South Carolina and 50 days in advance of a policy's expiration date in our active products in Florida, Louisiana, Alabama, North Carolina, and Texas.**

If you have any further questions or need additional information, please do not hesitate to contact me.

Sincerely,

*Michele Cheney*

Michele Cheney  
Compliance Manager  
Bankers Insurance Company, NAIC 33162



January 6, 2023

Dear Mr. Hansberry:

The following is Brotherhood Mutual Insurance Company's response to the Louisiana Senate Resolution 90 fact-finding study.

- 1- It is our business practice to comply with each state's notification requirements. In states with no specific mandate, our internal process is to issue a written renewal notice at least thirty-five (35) days before the policy's expiration date.
- 2- Mandating insurance companies to issue a written notice of renewal to policyholders at least thirty (30) days before a policy's expiration date helps enforce a more level playing field for all parties involved. Although it can be daunting to adhere to from an insurer's perspective due to additional administrative work, it allows a degree of transparency and cooperation for all.

From the policyholders' perspective, it provides ample time to review the renewal policy and make any necessary changes. It allows them to ensure that their coverage remains up-to-date and appropriate for their needs. They can also compare it with other carriers (if necessary) and secure coverage elsewhere if unsatisfied with the renewal terms.

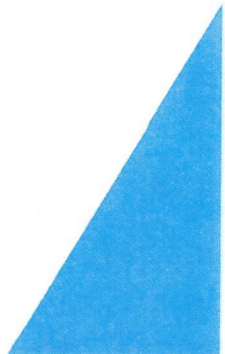
From the perspective of insurers, this policy helps to reduce the risk of unexpected lapses in coverage or late payments. Additionally, it improves the customer experience by providing policyholders with a clear timeline for when they need to make changes or renew their policy. It helps reduce confusion and keeps policyholders informed about their policy status. The closer the expiration date, the more goodwill between the insured, agent, and carrier may be lost. In addition, agents may need time to review and explain renewal terms to the policyholder.

- 3- Most states, the District of Columbia and Hawaii, address the insurance carrier's duty to notify a policyholder of its renewal plans. The following states: Arizona, Connecticut, Delaware, Florida, Kentucky, Maryland, Mississippi, New Jersey, New York, North Carolina, South Carolina, Texas, Vermont, and West Virginia have provisions that require insurance companies to issue a written notice of renewal to policyholders at least thirty (30) days in advance of a policy's expiration date.

I hope this helps, and please don't hesitate to contact me if you have any further questions.

Best regards,

Durand A. Diwis  
Manager Regulatory and Compliance – Legal





LOUISIANA DEPARTMENT OF INSURANCE

JAMES J. DONELON  
COMMISSIONER

**DELIVERY VIA ELECTRONIC MAIL**

December 8, 2022

Allstate Insurance Group  
Attn: Miguel Saucedo  
2775 Sanders Road  
Northbrook, IL 6006-6127  
[msaucedo@allstate.com](mailto:msaucedo@allstate.com)

**Re: Senate Resolution Number 90  
Louisiana Legislature  
2022 Regular Session**

Dear Mr. Saucedo:

During the 2022 Regular Session of the Louisiana Legislature, Senator Mike Fesi of the Louisiana State Senate authored Senate Resolution Number 90 (SR 90). The provisions of SR 90 "...urge and request that the Commissioner of Insurance study the need for written notice of renewal for property, casualty, and liability insurance policies...". A copy of SR 90 has been attached for your convenience.

To comply with the provisions of SR 90, this correspondence serves as a request on behalf of Commissioner Donelon for your company's assistance with this fact-finding study. Please provide any relevant comments or recommendations and respond to the following:

1. Provide any information relative to your company's internal timeline and process for the renewal of any property, casualty or liability policies. Please specify the number of days in advance of a policy's expiration date that your company issues a written notice of renewal.

**Company response:** In Louisiana, personal lines policy renewal notices are issued at least 30 days prior to policy expiration. Additionally, Private Passenger Auto renewal notification is 35 days and Homeowners is 45 days.

2. Provide an explanation as to the costs and benefits, from the perspective of an insured and an insurer, of mandating that an insurance company issue a written notice of renewal to a property, casualty or liability policyholder at least thirty (30) days in advance of a policy's expiration date.

**Company response:** There would be no cost impact as Allstate already exceeds 30 days notice.




3. Provide the names of any states where your company is required to issue a notice of renewal to any property, casualty or liability policyholders at least thirty (30) days in advance of a policy's expiration date.

**Company response:** While most renewal notices are sent at least 30 days prior to policy expiration, renewal notice periods do vary by state and lines of business. The following states are two examples where a longer advanced period is utilized: FL (40 days for auto, 55 days for home), OK (35 days for auto, 50 days for home)

P. O. Box 94214 • BATON ROUGE, LOUISIANA 70804-9214  
PHONE (225) 342-5900 • FAX (225) 342-3078  
<https://www.ldi.la.gov>

In accordance with the request of SR 90, Commissioner Donelon has been instructed to report his findings and any recommendations to the Senate and House Insurance Committees no later than February 1, 2023. It is asked that your responses be sent to my attention on or before **January 6, 2023**. Thank you, in advance, for your assistance.

Sincerely,   
6,<sup>(1)</sup>Jc-C-

Chuck Myers, SPIR, CPCU, CFE, CECFE  
Deputy Commissioner  
Office of Property & Casualty  
Louisiana Department of Insurance  
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January 13, 2023

**VIA EMAIL**

[Charles.Hansberry@ldi.la.gov](mailto:Charles.Hansberry@ldi.la.gov)

Charles B. Hansberry, III, Esq. PIR

Assistant Deputy Commissioner

Office of Property and Casualty

Louisiana Department of Insurance

RE: Louisiana Senate Resolution 90- Request

Dear Mr. Hansberry,

Noted below are State Farm's responses to the questions set forth in furtherance of Senate Resolution 90.

1. Provide any information relative to your company's internal timeline and process for the renewal of any property, casualty, or liability policies. Please specify the number of days in advance of a policy's expiration date that your company issues a written notice of renewal.

State Farm's business practice is to provide the following advance notice of renewal:

Renewal Notice Mailed # Days prior to renewal anniversary	Product / Program
50	Personal Auto Policy, Business Auto Policy  Homeowners, Renters, Condominium Unitowner, Manufactured Homeowners; Rental Dwelling, Rental Condominium Unitowner, Personal Liability Umbrella, Personal Articles Policy, Boatowners
55	Apartment, Residential Condominium, Religious Organizations, Business Office, Business Mercantile Service, Business Miscellaneous, Contractors, Commercial Liability Umbrella, Commercial Inland Marine, Workers Compensation Policy
60	Premises Personal Liability (Renters, Farm, Personal)



67	Farm Ranch Policy

2. Provide an explanation as to the costs and benefits, from the perspective of an insured and an insurer, of mandating that an insurance company issue a written notice of renewal to a property, casualty, or liability policyholder at least thirty (30) days in advance of a policy's expiration date.

Costs are significant to provide written renewals to customers for property, casualty, or liability insurance. Setting up the renewal notice or making changes to current processes could result in multi-million-dollar changes and significant time that could take a year or more to deliver. Anytime new endorsements are made available to customers, costs are incurred to update programming and provide the correct renewal information to customers. It is challenging to place a dollar cost on a requirement like mandating renewal offers due to the complexity of the development programming, testing and implementation as well as the ongoing maintenance of the process. Additional printing and mailing costs are incurred for each renewal. All associated costs put upward pressure on insurance rates. Email communication with customers should be clearly supported as an alternative to mandatory mailing of a physical renewal notice.

Benefits of renewal notices include but are not limited to communication of current coverages and deductibles, opportunities for insureds to make decisions about coverage changes they may want to make, clarity in the cost of the insurance product and confirmation the coverage is still in force

3. Provide the names of any states where your company is required to issue a notice of renewal to any property, casualty, or liability policyholders at least thirty (30) days in advance of a policy's expiration date.
- AK: 30 days
  - CA:
    - Fire: 45
    - Commercial: 60
    - Umbrella: 30
    - Auto: 20
  - CT: 30
  - DE:
    - Fire: 30
    - Auto: 20
  - FL: 45
  - GA: 45
  - IA:
    - Commercial: 45
    - Personal: 30
  - KS: 30
  - KY: 30
  - MD: 45 (Commercial only)
  - MS: 30 (Auto only)



- MO: 60 (Commercial only)
- MT: Not more than 60 days or less than 30 days
- NJ: 60 (auto only)
- NC: 45 (Commercial only)
- OR:
  - Commercial: 45
  - Homeowners: 30
  - Auto: 30
- PA: 30 (Commercial only)
- SC: 30 (Commercial only)
- VT: 45
- WA: 20

Sincerely,

A handwritten signature in black ink that reads "N. Brunson-Wheeler". The signature is written in a cursive, flowing style.

Natalie Brunson-Wheeler  
Counsel

NBW/tkw



AMERICAN NATIONAL

Service Center | Mail to: P.O. Box 656, Albany, NY 12201-0656 Ship to: 344 Route 9W, Glenmont, NY 12077

*Via Email to [Chuck.Myers@ldi.la.gov](mailto:Chuck.Myers@ldi.la.gov)*

January 6, 2023

Chuck Myers, SPIR, CPCU, CFE, CECFE  
Deputy Commissioner  
Office of Property & Casualty  
Louisiana Department of Insurance  
P.O. Box 94214  
Baton Rouge, LA 70804-9214

RE: **Senate Resolution Number 90, Louisiana Legislature, 2022 Regular Session**

Mr. Myers,

Below please find response to your inquiry dated December 8, 2022 regarding Senate Resolution Number 90, Louisiana Legislature, 2022 Regular Session addressed to ANPAC Louisiana Insurance Company. Please note that effective December 31, 2022, ANPAC Louisiana Insurance Company merged into its affiliate, American National Property and Casualty Company (“ANPAC”). Accordingly, ANPAC is providing the responses to this inquiry.

1. Provide any information relative to your company’s internal timeline and process for the renewal of any property, casualty, or liability policies. Please specify the number of days in advance of a policy’s expiration date that your company issues a notice of renewal.

**Response: Our company provides written notice of renewal 35 to 52 days in advance of a policy’s expiration date depending on line of business for all personal and commercial lines of business written in the state. Please note that certain of our specialty lines products do not include renewal notices as policies are typically issued continuous until cancelled.**

2. Provide an explanation as to the costs and benefits, from the perspective of an insured and an insurer, of mandating that an insurance company issue a written notice of renewal to a property, casualty or liability policyholder at least thirty (30) days in advance of a policy’s expiration date.

**Response: Providing written notice of renewal 30 days in advance of policy expiration gives the company the opportunity to share their intent to renew the policy as well as the terms under which the policy will be renewed prior to the start of the next term. It allows time for the policyholder to review the renewal, discuss their policy with their agent if desired and, if necessary, make changes to coverage prior to the start of their next term. With respect to costs, there are no additional hard costs in increasing or decreasing the number of days’ notice for renewals provided there are no requirements for specialized or additional notifications. A requirement to provide a specifically formatted notice and/or a notice separately or in advance of a policy renewal packet would require programming effort (labor costs) and additional ongoing mailing costs.**

3. Provide the names of any states where your company is required to issue a notice of renewal to any property, casualty or liability policyholders at least thirty (30) days in advance of a policy’s expiration date.

**Response: Days’ notification requirements vary by line of business in each state. Reasons/triggers for notification (i.e. Renewal, Increase in Premium at Renewal, Change in Terms at Renewal, etc.) also vary by**



Mr. Chuck Myers  
Louisiana Department of Insurance  
January 6, 2023  
Page 2

state and line of business. cursory research shows that the following states require at least 30 days' notice of renewal for one or more reasons/triggers, for one or more of the lines of business we write in that state:

<b>Alabama</b>	<b>Iowa</b>	<b>Nevada</b>	<b>Rhode Island</b>
<b>Arizona</b>	<b>Kansas</b>	<b>New Hampshire</b>	<b>South Carolina</b>
<b>Arkansas</b>	<b>Kentucky</b>	<b>New Jersey</b>	<b>Tennessee</b>
<b>California</b>	<b>Maine</b>	<b>New Mexico</b>	<b>Texas</b>
<b>Colorado</b>	<b>Maryland</b>	<b>New York</b>	<b>Utah</b>
<b>Connecticut</b>	<b>Minnesota</b>	<b>Ohio</b>	<b>Vermont</b>
<b>Georgia</b>	<b>Mississippi</b>	<b>Oklahoma</b>	<b>West Virginia</b>
<b>Idaho</b>	<b>Missouri</b>	<b>Oregon</b>	<b>Wisconsin</b>
<b>Illinois</b>	<b>Montana</b>	<b>Pennsylvania</b>	<b>Wyoming</b>

Thank you.



Leslie Gunther, CPCU, MCM  
Compliance Manager, P&C Compliance  
Leslie.Gunther@AmericanNational.com



Business Insurance  
Employee Benefits  
Auto  
Home

Chuck Myers, SPIR, CPCU, CFE, CECFE  
Deputy Commissioner  
Office of Property & Casualty  
Louisiana Department of Insurance

Re: Senate Resolution Number 90  
Louisiana Legislature  
2022 Regular Session

Dear Mr. Myers:

In response to your letter dated December 8, 2022, please find the following answers to the questions posed:

*Provide any information relative to your company's internal timeline and process for the renewal of any property, casualty, or liability policies. Please specify the number of days in advance of a policy's expiration date that your company issues a written notice of renewal.*

Renewal policies are typically processed in the system 50-60 days prior to renewal and are mailed approximately 45 days prior to renewal, except in states that require more advance notice.

*Provide an explanation as to the costs and benefits, from the perspective of an insured and an insurer, of mandating that an insurance company issue a written notice of renewal to a property, casualty, or liability policyholder at least thirty (30) days in advance of a policy's expiration date.*

#### **Insured**

Costs – None

Benefits – Adequate time to 'shop' rates and compare against other carriers

Adequate time to budget and/or arrange payment plans

#### **Insurer**

Costs – Additional expense due to paper output, postage, etc.

Benefits – Adequate time to answer questions or concerns re: renewal policy or rates

*Provide the names of any states where your company is required to issue a notice of renewal to any property, casualty, or liability policyholders at least thirty (30) days in advance of a policy's expiration date.*

The following states require that a renewal *policy* be delivered at least thirty (30) days in advance but do not necessarily require a separate notice of renewal:

AL, AR, CA (homeowners), DE (homeowners), FL, GA, KS, KY, MD, NV, NJ, NM, NY, NC, OR (homeowners), PA, RI, SC, TX, VT, WY.

Please feel free to contact me if you have questions or need additional information.

Thank You,



Leigh Ann Butler  
Assistant Director, Personal Lines and Small Commercial Compliance  
Leigh.homan@thehartford.com  
860.547.9915





Sent via email to [Charles.Hansberry@ldi.la.gov](mailto:Charles.Hansberry@ldi.la.gov)

January 6, 2023

Charles B. Hansberry, III, Esq. PIR  
Assistant Deputy Commissioner  
Office of Property and Casualty  
Louisiana Department of Insurance  
1702 N. Third Street  
Baton Rouge, LA 70802

RE: Louisiana Senate Resolution 90 Request – AmGUARD Insurance Company Submission

Mr. Hansberry,

Below are the responses to the above stated request dated December 8, 2022, for AmGUARD Insurance Company.

Please note, GUARD only writes commercial accounts in Louisiana. As such, the responses provided only pertain to such lines of business.

1. Provide any information relative to your company's internal timeline and process for the renewal of any property, casualty or liability policies. Please specify the number of days in advance of a policy's expiration date that your company issues a written notice of renewal.

Response: A renewal policy is issued 35 days in advance of the policy expiration date. If a Notice of Conditional Renewal (NOCR) Insurance is needed, it is sent 35 days in advance of the expiration date. We do not send written notices of renewal, only NOCRs where required by LA statute.

2. Provide an explanation as to the costs and benefits, from the perspective of an insured and an insurer, of mandating that an insurance company issue a written notice of renewal to a property, casualty or liability policyholder at least thirty (30) days in advance of a policy's expiration date.

Response: As stated in point 1, a renewal policy is sent in advance of the policy's expiration date. We are already complying with this notice requirement.

3. Provide the names of any states where your company is required to issue a notice of renewal to any property, casualty or liability policyholders at least thirty (30) days in advance of a policy's expiration date.

Response: States where we are required to issue a notice of renewal at least 30 days in advance of a policy's expiration date are Florida (45 days), Kentucky (30 days), Montana (between 30 and 60 days), South Carolina (30 days), and West Virginia (30 days).

If there are additional questions, please feel free to contact me.

Sincerely,

A handwritten signature in blue ink that reads "Kaitlin Sypniewski".

Kaitlin Sypniewski  
Risk Mitigation Coordinator  
570-825-9900 ext. 3524  
[regulatory.matters@guard.com](mailto:regulatory.matters@guard.com)

**AmGUARD Insurance Company**  
39 Public Square • P.O. Box A-H • Wilkes-Barre, Pennsylvania 18703-0020  
**570-825-9900** • 800-673-2465 • [www.guard.com](http://www.guard.com)



4200 Six Forks Road  
Suite 1400  
Raleigh, NC 27609  
1-800-525-7486

January 6, 2023

VIA EMAIL: [chuck.myers@ldi.la.gov](mailto:chuck.myers@ldi.la.gov)

Chuck Myers, Deputy Commissioner  
Office of Property & Casualty  
Louisiana Department of Insurance

Re: Senate Resolution Number 90

Dear Mr. Myers:

SafePort Insurance Company ("SafePort") (NAIC No. 36560) is in receipt of correspondence (the "Inquiry") dated December 8, 2022, from the Louisiana Department of Insurance (the "Department") requesting information related to SafePort's notices of renewal. In response, SafePort provides the following:

- 1. Provide any information relative to your company's internal timeline and process for the renewal of any property, casualty, or liability policies. Please specify the number of days in advance of a policy's expiration date that your company issues a written notice of renewal.**

SafePort produces written notice of renewals for property in Louisiana at least thirty-five (35) days prior to the effective date of the renewal to ensure timely delivery to the policyholder.

- 2. Provide an explanation as to the costs and benefits, from the perspective of an insured and insurer, of mandating that an insurance company issue a written notice of renewal to a property, casualty, or liability policyholder at least thirty (30) days in advance of a policy's expiration date.**

Sending a written notice of renewal thirty (30) days in advance of the effective date is an industry standard. This practice provides a policyholder with time to plan their budget or shop for alternative coverage and provides an insurance company with a structure by which it is able to predict receipt of future premium payments. No additional costs or benefits would arise, for either SafePort or its policyholders, from the above-referenced mandate, as SafePort's procedures already produce written notice of renewal thirty (30) days in advance of a policy's expiration date.



4200 Six Forks Road  
Suite 1400  
Raleigh, NC 27609  
1-800-525-7486

3. **Provide the names of any states where your company is required to issue a notice of renewal to any property, casualty, or liability policyholders at least thirty (30) days in advance of a policy's expiration date.**

Alabama (conditional renewal), Florida, Mississippi (conditional renewal), New York (conditional renewal), South Carolina, and Texas (conditional renewal). A conditional renewal is a renewal where terms other than premium amount (such as a reduction in coverage) have changed.

SafePort trusts the information above has addressed the issues raised in the Inquiry. Should you have any questions, please do not hesitate to reach out to the undersigned.

Best regards,

*Liz Harbaugh*

Liz Harbaugh  
General Counsel, Pillar Insurance Agency  
On behalf of SafePort Insurance Company  
[Liz.Harbaugh@pillarinsagency.com](mailto:Liz.Harbaugh@pillarinsagency.com)





Via Email

January 4, 2023

Mr. Chuck Myers, SPIR, CPCU, CFE, CECFE  
Deputy Commissioner  
Office of Property & Casualty  
Louisiana Department of Insurance  
P.O. Box 94214  
Baton Rouge, LA 70804-9214

RE: Gulf States Insurance Company  
Senate Resolution Number 90

Dear Mr. Myers:

Pursuant to your request dated December 8, 2022 please accept this as Gulf States Insurance Company's response.

1. *Provide any information relative to your company's internal timeline and process for the renewal of any property, casualty or liability policies. Please specify the number of days in advance of a policy's expiration date that your company issues a written notice of renewal.*

Forty-Five days prior to policy expiration, policies are processed for review by underwriting. Those policies acceptable for renewal are mailed a renewal offer 35 days prior to renewal date. The renewal offers mirrors the Declaration Page of the policy providing all coverages and costs.

2. *Provide an explanation as to the costs and benefits, from the perspective of an insured and an insurer, of mandating that an insurance company issue a written notice of renewal to a property, casualty or liability policyholder at least thirty (30) days in advance of a policy's expiration date.*

As long as there is no requirement for renewal notice delivery other than regular mail or via electronic delivery chosen by the insured, there would be no additional cost to our company for a mandate to issue a written notice of renewal. The benefit that Gulf States has experienced for the Insured and us is providing the insured ample opportunity to review the renewal offer and seek alternative coverage should the renewal terms not be acceptable to them.

[GulfStatesInsure.com](http://GulfStatesInsure.com)

1201 Camellia Blvd Suite 201 • Lafayette, LA 70508 • (337) 541-2577



3. *Provide the names of any states where your company is required to issue a notice of renewal to any property, casualty or liability policyholders at least thirty (30) days in advance of a policy's expiration date.*

Gulf States only does business in Louisiana, however its sister company is active in Mississippi and Alabama. Neither of these states require the company to issue a notice of renewal thirty days in advance.

Should you need any additional information, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read "H. Carter", is positioned above the typed name.

H. Marcus Carter, Jr.  
President and CEO

[GulfStatesInsure.com](http://GulfStatesInsure.com)

1201 Camellia Blvd Suite 201 • Lafayette, LA 70508 • (337) 541-2577



151 N. Franklin Street, Chicago, Illinois 60606-1821

Alexis Teicher  
AVP & Assistant General Counsel  
Ph# 212-440-2743  
[alexis.teicher@cna.com](mailto:alexis.teicher@cna.com)

January 6, 2023

Attn: Chuck Myers, SPIR, CPCU, CFE, CECFE  
Deputy Commissioner  
Office of Property & Casualty  
Louisiana Department of Insurance  
[Chuck.Myers@ldi.la.gov](mailto:Chuck.Myers@ldi.la.gov)

Dear Mr. Myers,

Please accept this letter in response to your request for comments or recommendations related to Senate Resolution Number 90.

Internal timelines and processes for commercial property, casualty, and liability renewals vary based on line of business, market segment and producer relationship. The renewal process typically begins between 150 and 60 days in advance of policy expiration. In addition to the notice requirements under current Louisiana law, we provide a renewal quote or renewal policy. When additional information is needed in order to renew a policy, underwriters engage the insured's producer to provide information to be able to finalize a renewal quote or policy.

If a separate notice of renewal was required at least 30 days in advance of the policy's expiration, the cost of generating that notice would be similar to the cost of issuing Notice of Nonrenewal or Conditional Renewal. However, it would be difficult to provide such a notice when renewal information is not received by the carrier.

If you have questions or need additional information please contact our Government Relations Director Corey Peterson at (850) 363-7505 or via email at [corey.peterson@cna.com](mailto:corey.peterson@cna.com).

Kindest regards,  
Alexis Teicher



**Response to Letter of December 8, 2022**

**Senate Resolution Number 90**

**Shelter Mutual Insurance Company**

Provide any information relative to your company's internal timeline and process for the renewal of any property, casualty or liability policies. Please specify the number of days in advance of a policy's expiration date that your company issues a written notice of renewal.

1. Shelter Mutual Insurance Company's internal process for renewals is to send the named insured a written renewal notice on any property, casualty, or liability policy 35 day in advance of the policy's expiration date.

Provide an explanation as to the costs and benefits, from the perspective of an insured and an insurer, of mandating that an insurance company issue a written notice of renewal to a property, casualty or liability policyholder at least thirty (30) days in advance of a policy's expiration date.

2. Although the insured can make policy changes during the duration of the policy term, a benefit to both the insured and insurer of a mandated notice of renewal would be the additional opportunity to reevaluate the risk and appropriate coverage terms, limits, deductibles, premium, etc. The insurer would bear the monetary cost of the printing and delivery. Additionally, all non-electronic delivery poses an additional cost to the environment with the increase paper use.

Provide the names of any states where your company is required to issue a notice of renewal to any property, casualty or liability policyholders at least thirty (30) days in advance of a policy's expiration date.

3. A written renewal notice is not required in any of our operating states which include Arkansas, Colorado, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Mississippi, Missouri, Nebraska, Nevada, Ohio, Oklahoma, Tennessee. Shelter Insurance sends renewal notices 35 days in advance of all property, casualty, or liability policy expiration dates.

American Bankers Insurance Company  
11222 Quail Roost Drive,  
Miami, FL 33157  
[aizregmatters@assurant.com](mailto:aizregmatters@assurant.com)

January 6, 2023

Louisiana Department of Insurance  
P.O. Box 94214  
Baton Rouge, LA 70804  
[Chuck.myers@ldi.la.gov](mailto:Chuck.myers@ldi.la.gov)

Re: Senate Resolution Number 90 Louisiana legislature 2022 Regular Session

Dear Mr. Myers,

Please see the response from American Bankers Insurance Company of FL (NAIC Number: 10111) "ABIC" below as requested.

1. Provide any information relative to your company's internal timeline and process for the renewal of any property, casualty or liability policies. Please specify the number of days in advance of a policy's expiration date that your company issues a written notice of renewal.

Our "written" renewals are delivered both electronically and via US mail based upon the customer's preference anywhere between 45 days to 63 days in advance of the policy renewal effective date. The number of days in advance includes any potential mailing and notice requirements.

2. Provide an explanation as to the costs and benefits, from the perspective of an insured and an insurer, of mandating that an insurance company issue a written notice of renewal to a property, casualty, or liability policyholder at least thirty (30) days in advance of a policy's expiration date.

#### **Insured costs/benefits**

- Time to review coverages
- Assess payment requirements of premium
- Gather funds
- Reach out to insurer for questions
- Allows them an opportunity to shop around

American Bankers Insurance Company  
11222 Quail Roost Drive,  
Miami, FL 33157  
[aizregmatters@assurant.com](mailto:aizregmatters@assurant.com)

**Insurer costs/benefits**

- Provides time for insurer to collect premium prior to or up to the renewal date to stay ahead of earnings
  - Provides the insurer the opportunity to review coverages with insured prior to renewal to relay its benefits
3. Provide the names of any states where your company is required to issue a notice of renewal to any property, casualty, or liability policyholders at least thirty (30) days in advance of a policy's expiration date.

Most states require the renewal terms to be furnished to the insured not less than 30 days prior to the expiration date of the original policy if there is a change to the policy that causes an increase over a certain percentage i.e., 15% or greater or if there is a reduction in coverage.

Sincerely,

**Olga Peña**

Associate Compliance Specialist  
Regulatory Compliance Administration  
P: 800-852-2244 ext. 4032844

\* [Olga.Pena@Assurant.com](mailto:Olga.Pena@Assurant.com)

11222 Quail Roost Drive |Miami, FL 33157-6596







LOUISIANA DEPARTMENT OF INSURANCE  
JAMES J. DONELON  
COMMISSIONER

**DELIVERY VIA ELECTRONIC MAIL**

December 8, 2022

Church Mutual Insurance Company  
Attn: Sandy Woller  
3000 Schuster Lane  
Merrill, WI 54452  
[ethics@churchmutual.com](mailto:ethics@churchmutual.com)

**Re: Senate Resolution Number 90  
Louisiana Legislature  
2022 Regular Session**

Dear Ms. Woller:

During the 2022 Regular Session of the Louisiana Legislature, Senator Mike Fesi of the Louisiana State Senate authored Senate Resolution Number 90 (SR 90). The provisions of SR 90 "... urge and request that the Commissioner of Insurance study the need for written notice of renewal for property, casualty, and liability insurance policies... ". A copy of SR 90 has been attached for your convenience.

To comply with the provisions of SR 90, this correspondence serves as a request on behalf of Commissioner Donelon for your company's assistance with this fact-finding study. Please provide any relevant comments or recommendations and respond to the following:

1. Provide any information relative to your company's internal timeline and process for the renewal of any property, casualty or liability policies. Please specify the number of days in advance of a policy's expiration date that your company issues a written notice of renewal.  
**More than 30 days prior to policy expiration date, our company processes a renewal and sends the Declarations Page to the insured as proof of renewal for Commercial Automobile, Worker's Compensation, Commercial Umbrella and Commercial Property, General Liability and Package policies where no changes have been made that require notification and any premium change falls within RS 22:1267.E.2 . If changes have been made to deductibles or there are reductions in limits or insurance coverage, the Underwriter will send a Renewal Notification Notice via Proof of Mailing, to the insured at the address shown on the policy at least 30 days prior to the notification requirement.**
2. Provide an explanation as to the costs and benefits, from the perspective of an insured and an insurer, of mandating that an insurance company issue a written notice of renewal to a property, casualty, or liability policyholder at least thirty (30)

days in advance of a policy's expiration date.

Our current processes allow for accounts that meet certain criteria to be renewed with little to no manual intervention. If all accounts would need to be pulled and separate notification provided, we would need to look at our staffing adequacy.

Providing more than 30 days' notice to the insured would allow them to thoroughly review their policy to make informed decisions.

3. Provide the names of any states where your company is required to issue a notice of renewal to any property, casualty or liability policyholders at least thirty (30) days in advance of a policy's expiration date.  
We use various regulatory guidance and tools to ensure our compliance with state mandates that require we issue a notice of renewal to a policyholder at least 30 days in advance of a policy's expiration date.

P.O. Box 94214 • BATON ROUGE, LOUISIANA 70804-9214

PHONE (225) 342-5900 • FAX (225) 342-3078

<https://www.ldi.la.gov>



Post Office Box 95005  
Baton Rouge, Louisiana 70895-9005  
(225) 922-6200

January 3, 2023

Mr. Chuck Myers, SPIR, CPCU, CFE, CECFE  
Deputy Commissioner  
Office of Property & Casualty  
Louisiana Department of Insurance  
P. O. Box 94214  
Baton Rouge, LA 70804-9214  
[chuck.myers@ldi.la.gov](mailto:chuck.myers@ldi.la.gov)

**VIA EMAIL**

RE: Senate Resolution Number 90  
2022 Regular Session of the Louisiana Legislature

Dear Mr. Myers:

Per your letter of December 8, 2022, below are the responses to the fact-finding study of Commissioner Donelon to comply with the provisions of Senate Resolution 90 of the 2022 Regular Session of the Louisiana Legislature.

1. Provide any information relative to your company's internal timeline and process for the renewal of any property, casualty or liability policies. Please specify the number of days in advance of a policy's expiration date that your company issues a written notice of renewal.

Response:

Invoices with renewal premiums and renewal declarations are mailed separately to policyholders from between 19 and 50 days prior to the effective date of the renewal, depending on the invoice due date and the type of policy. Our current renewal declarations provide written notice of the renewal to the policyholder, which includes the renewal premium, the policy terms, and deductible(s). The invoice also shows the renewal premium and term of the policy.

2. Provide an explanation as to the costs and benefits, from the perspective of an insured and an insurer, of mandating that an insurance company issue a written notice of renewal to a property, casualty or liability policyholder at least thirty (30) days in advance of a policy's expiration date.

Response:

Mandating that an insurer issue a written notice of renewal to a policyholder at least 30 days in advance of a policy's expiration may allow more time for a policyholder to make



Page 2

Mr. Chuck Myers, SPIR, CPCU, CFE, CECFE  
Louisiana Department of Insurance  
January 3, 2023

an informed decision regarding renewal of an insurance policy. However, a policyholder is currently allowed to make a change at any time prior to renewal, up to the day of renewal. A mandatory written notice of 30 days prior to the effective date of a renewal may have the unintended consequence of prohibiting changes up to the date of renewal in order to comply such a mandate. It may also require costly programming changes. Such costs may be passed on to the policyholders.

It is important to note that, in the event of nonpayment of the premium by the due date, the statutory cancellation provisions in Louisiana provide more time for policyholders who have not paid the renewal premium.

3. Provide the names of any states where your company is required to issue a notice of renewal to any property, casualty or liability policyholders at least thirty (30) days in advance of a policy's expiration date.

Response:

Not applicable because Louisiana Farm Bureau Mutual Insurance Company policies are only issued in Louisiana.

Sincerely yours,



Noryn A. Ward, JD, CPCU  
Vice President – Corporate & Legal  
Louisiana Farm Bureau Insurance Companies  
PO Box 95005  
Baton Rouge, LA 70895-9005  
225.922.6287  
[nward@sfbic.com](mailto:nward@sfbic.com)

NAW/pc





AIG  
28 Liberty Street,  
22<sup>nd</sup> Floor,  
New York, NY 10005-  
1445  
[www.aig.com](http://www.aig.com)

Ramya Kasthuri  
Associate General  
Counsel  
T: 212 7704424  
[Ramya.Kasthuri@aig.com](mailto:Ramya.Kasthuri@aig.com)

Date: January 3, 2023

Charles B. Hansberry, III, Esq. PIR  
Assistant Deputy Commissioner  
Office of Property and Casualty  
Louisiana Department of Insurance

RE: Louisiana Senate Resolution 90 – Request

Dear Mr. Hansberry,

Please see below for the responses for AIG Property Casualty Company (the “Company”). Please note that the Company has an approved plan for nonrenewal of its homeowners line of business in Louisiana. As such, the answers below pertain solely to the Company’s auto line of business.

1. Provide any information relative to your company's internal timeline and process for the renewal of any property, casualty or liability policies. Please specify the number of days in advance of a policy's expiration date that your company issues a written notice of renewal.

**Response:** The Company’s process is to begin previewing auto renewal policies ninety (90) days prior to the policy expiration date and to send the auto renewal policy package at least thirty (30) days prior to the policy expiration date.

2. Provide an explanation as to the costs and benefits, from the perspective of an insured and an insurer, of mandating that an insurance company issue a written notice of renewal to a property, casualty or liability policyholder at least thirty (30) days in advance of the policy's expiration date.

**Response:** As explained above, the Company’s process is to send the auto renewal policy package at least thirty (30) days prior to the policy expiration date.

3. Provide the names of any states where your company is required to issue a notice of renewal to any property, casualty or liability policyholders at least thirty (30) days in advance of a policy's expiration date.

**Response:** As mentioned in our responses above, if all renewal information is available, the Company’s process is to send the auto renewal policy package at



least thirty (30) days prior to the policy expiration date. This process is used in nearly all states.

Sincerely,  
Ramya Kasthuri



January 5, 2023

Mr. Chuck Myers, SPIR, CPCU, CFE, CECFE  
Office of Property & Casualty  
Louisiana Department of Insurance  
P.O. Box 94214  
Baton Rouge, LA 70804-9214

*via email:*  
*chuck.myers@ldi.la.gov*  
*charles.hansberry@ldi.la.gov*

Re: Senate Resolution Number 90  
Louisiana Legislature

Dear Mr. Myers:

Please note our response to the Louisiana Senate Resolution 90 Request dated December 13, 2022:

1. Provide any information relative to your company's internal timeline and process for the renewal of any property, casualty or liability policies. Please specify the number of days in advance or a policy's expiration date that your company issues a written notice of renewal.

**Our typical process is to issue a renewal notice 60 days in advance of a policy's expiration date.**

2. Provide an explanation as to the costs and benefits, from the perspective of an insured and an insurer, of mandating that an insurance company issue a written notice of renewal to a property, casualty or liability policyholder at least thirty (30) days in advance of a policy's expiration date.

**We typically provide a written notice of renewal more than 30 days in advance of a policy's expiration date to allow the insured time to review the notice.**

3. Provide the names of any states where your company is required to issue a notice of renewal to any property, casualty or liability policyholders at least thirty (30) days in advance of a policy's expiration date.

**We do not have a list of states, at this time.**

Please do not hesitate to contact us if we may be of further assistance.

Thank you.

Sincerely,

Dana Horbach, MCM  
Progressive Home  
Corporate Paralegal

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