



LOUISIANA DEPARTMENT OF INSURANCE
JAMES J. DONELON
COMMISSIONER

BULLETIN 2023-02

TO: ALL PROPERTY & CASUALTY INSURERS AND SURPLUS LINES INSURERS

FROM: JAMES J. DONELON, COMMISSIONER OF INSURANCE

RE: INSURE LOUISIANA INCENTIVE PROGRAM

DATE: MARCH 3, 2023

Bulletin 2023-02 is hereby issued to provide guidance regarding certain property insurance grant requirements for the Insure Louisiana Incentive Program (Incentive Program). The Incentive Program was enacted for the purpose of economic development and stability in the Louisiana insurance market and is designed to encourage additional property and casualty insurers and surplus lines insurers (insurers) to participate in the voluntary property insurance market in an effort to increase the availability of property insurance, increase competitive pressure on insurance rates, and reduce the volume of business written by the Louisiana Citizens Property Insurance Corporation (Citizens), the state's insurer of last resort.

The Louisiana Legislature appropriated funding relative to the Incentive Program during the 2023 First Extraordinary Session of the Louisiana Legislature. Pursuant to the authority and responsibility delegated to the Commissioner of Insurance under Act No. 754 of the 2022 Regular Session of the Louisiana Legislature, the Louisiana Department of Insurance (LDI) issued an initial public invitation to insurers to submit applications for grants under the Incentive Program.

After the LDI issued its initial public invitation, United Property & Casualty Insurance Company (UPC), a Florida-based homeowners insurer, was placed into liquidation in Florida after its estimated losses from Hurricane Ian increased to \$1.5 billion. UPC had planned to non-renew over 200,000 policies it had in force in 12 states across the country, including about 30,000 policies in Louisiana, as part of a runoff of policies this year. Unless these UPC policies are assumed by another insurer, its policies will be cancelled March 29, 2023, which is 30 days after UPC was placed into liquidation by the Florida Office of Insurance Regulation and the Florida judicial system.

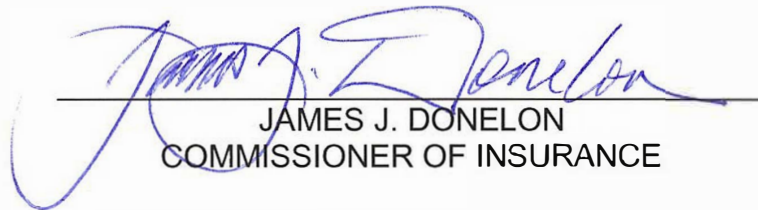
In order to help UPC policyholders in Louisiana avoid having to obtain a policy with Citizens, which by law has higher-than-market rates, the LDI will allow insurers, who have

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been approved to participate in the Incentive Program to assume UPC policies in Louisiana that are to be cancelled as a result of its insolvency and receive credit for those policies in order to comply with the requirements of the grant.

If there are any questions or concerns regarding Bulletin 2023-02, please contact the Deputy Commissioner of the Office of Financial Solvency at (225) 219-3929 or electronically at public@ldi.la.gov.

Baton Rouge, Louisiana, the 3rd day of March 2023.



JAMES J. DONELON
COMMISSIONER OF INSURANCE