

2024 Louisiana Legislative Session Report



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CAI's members, partners, and staff actively advocated on behalf of [approximately 168,000 Louisianians living in 66,600 homes in nearly 3,000 community associations across the Pelican State](#) during the 2024 state legislative session. Louisiana's legislative session began on March 11 and adjourned on June 3, 2024. Below is a brief overview from the 2024 Louisiana State Legislature:

SB 23 IMMOVABLE PROPERTY: Provides for the Planned Community Act

This bill was a priority for CAI this year, having worked with the Louisiana State Law Institute's Committee on Common Interest Ownership Regimes to help draft this bill and urge its introduction over the past year and half. SB 23 provides a uniform legislative framework for Louisiana homeowners and community associations, ensuring harmony and prosperity for all parties involved. Much of the language of SB 23, is taken from the Uniform Common Interest Ownership Act (UCIOA), which 9 states have fully adopted. UCIOA is a basic statute developed by the Uniform Law Commission, for creating, managing, and terminating condominium planned community, and real estate cooperatives. By streamlining governance processes, enhancing transparency, and modernizing communication practices, SB 23 ensures equitable and efficient community living environments. This legislation thus supports the continued growth and sustainability of community associations, reinforcing their role in providing diverse housing options and fostering vibrant lifestyles.

Status: Successfully PASSED, signed by Governor. Effective January 1, 2025.

HB 440 PROPERTY/IMMOVABLE: Provides relative to association documents of planned communities

As introduced, HB 440 would require all community associations to collect at least five hundred thousand dollars (\$500,000) in assessments to have an independent financial audit every year. CAI successfully used grassroots and legislative connections to advocate on changes to the bill to create legislation that, while still not perfect, was more favorable to the community association industry. Instead of forcing annual, costly audits on several large community associations, and the administrative burden that comes with them, HB 440 was amended in the House to instead shift the focus of the bill to focus on document disclosure during the purchasing process. Document disclosure helps prospective residents know what they are buying into and sets clear expectations for all parties involved in a transaction. As amended by the House, HB 440 mandates that these documents be provided free of charge to buyers during the purchasing process. The Senate later amended the bill further to allow for

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reasonable fees to be charged related to the preparation of documents and requiring that the buyer pay them.

Even with the successful shift towards disclosure, CAI **opposed** this bill in the House, as preparing documents in preparation for a real estate transaction is a professional service, often done through a community association management company, which cannot be adequately accomplished by most sellers on their own. Once it was amended in the Senate, CAI was able to **support** the bill in its final form, as it preserved the right of professionals to charge for professional services. We applaud the co-sponsors of this legislation for having an open line of communication with CAI Louisiana leadership to improve this legislation for the community association industry.

Status: DIED on Senate calendar.

INSURANCE UPDATE: A package of insurance bills was also introduced during the 2024 legislative session that community associations should be aware of:

SB 323 INSURANCE CLAIMS: Provides for fair claims processing

This bill establishes a tighter deadline for insurers to initiate loss adjustments. That includes 14 days for non-catastrophic, and 30 days post-catastrophe. This bill also gives state authorities the authority to issue extensions of deadlines as needed to help insured and carriers complete the claim process promptly.

Status: PASSED, signed by Governor. Effective July 1, 2024.

HB 611 INSURANCE/PROPERTY: Provides relative to homeowners' insurance and termination of certain policies

This bill removes the existing three-year rule for new policies and allows insurers to manage their risk more effectively by allowing nonrenewing up to 5% of the three-year policies. This bill is designed to attract more carriers into Louisiana's markets; prior to this bill a carrier had to hold on to policies for three years before carrier could withdraw coverages.

Status: PASSED, signed by Governor. Effective January 1, 2025.

SB 295 INSURANCE RATES: Provides for rate filing procedures and requirements for rate making

This bill increases the speed to market for insurance products and rate changes while maintaining regulatory oversight. The insurance commissioner is still able to review rate filings and products, with a review period set at 60 days after filing, instead of the previous 45-day waiting period plus an additional 45-day administrative review period.

Status: PASSED, signed by Governor. Effective immediately.

HB 120 INSURANCE: Repeals the termination date relative to the Louisiana Fortify Homes Program

This bill strengthens the Louisiana Fortify Homes program, which offers incentives to homeowners who enhance their homes to better withstand severe storms. The bill removes the expiration date for the program, allowing it to continue in perpetuity. The goal of the program is to improve building strength according to new building codes (improvements to older buildings) to withstand severe storms will help

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lower insurance cost reducing damage sustained from severe storms. Under the program, the state provides grant money for building improvements.

Status: PASSED, signed by Governor. Effective immediately.

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