



Property Insurance Association of Louisiana

Advance Planning
Notice Publication
Date
8/14/2023

Commercial



State Number:
902734



PIAL Number:
LA23-10
(CL-2023-
RWCP1)(CF)



Effective Date:
1/01/2024



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CHANGES

This filing revises our Louisiana Windstorm Mitigation Program Rules in response to 2023 La Acts 45 (Former S.B. 113).

COMPANY ACTION

If you have authorized us to file on your behalf and decide:

- To use our revision and effective date, you are NOT required to file anything with the Louisiana Department of Insurance.
- To use our revision with a different effective date, to use our revision with modification, or to NOT use our revision, you must make an appropriate submission with the Louisiana Department of Insurance.

In all correspondence with the Louisiana Department of Insurance regarding this revision, include the PIAL and/or State Filing Designation Number.

MANUAL DISTRIBUTION

Insurance Service Office, Inc. will distribute revised manual pages prior to the effective date. A complete copy of the filing is available on the PIAL website using the Compliance Filings Library. Register to receive electronic notification at the Compliance Filings Library at www.pial.org.



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DIVISION FIVE – FIRE AND ALLIED LINES

70. CAUSES OF LOSS – BASIC FORM

The following is added to Paragraph E.:

3. Windstorm Construction Program

a. Introduction

With respect to all residential and commercial properties, insurers shall provide for premium discounts, credits or other adjustments to reduce premiums when an insured builds or retrofits a structure to resist loss due to hurricane, tornado or other catastrophic windstorm events in compliance with the requirements of the Insurance Institute for Business & Home Safety (IBHS®).

b. Eligibility

Insurable properties, including residential and commercial properties, are eligible for credit if the property has been certified as constructed in accordance with the Fortified Home™ or Fortified Commercial™ program promulgated by the IBHS®. The credit or discount shall apply only to policies that provide wind coverage and does not apply if the insured elects to exclude coverage for Wind and Hail losses through Windstorm Or Hail Exclusion Endorsement **CP 10 54**.



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Louisiana Windstorm Construction Program Rules Updated

About This Filing

The filing revises our Louisiana Windstorm Mitigation Program rules in response to 2023 La. Acts 45 (Former S.B. 113).

Revised Rules

We are revising the following additional rules and state exceptions:

- ◆ Division Ten – Businessowners
 - Rule A5. Windstorm Construction Program
- ◆ Division Five - Fire and Allied Lines
 - Rule 70. Causes of Loss Basic Form
- ◆ Division Four - Farm
 - Rule A7. Windstorm Construction Features (Residential)

We have used a format of ~~striking-through~~ deletions, underlining additions and inserting a revision bar in the left margin to indicate changes. For the purposes of this filing, asterisks (* * *) indicate undisplayed text that remains unchanged with this filing.

Background

2023 La. Acts 45 (Former S.B. 113) revises LA. REV. STAT. ANN. § 22:1483 C. (9) effective June 01, 2023, concerning credits and discounts in compliance with the fortified home and fortified commercial standards created by the Insurance Institute for Business and Home Safety, which states in part

· "(9) For the purposes of this Subsection, insurable property includes ~~single-family~~ residential property, commercial property, modular homes, and manufactured homes that may be retrofitted."

Explanation of Changes

In response to the aforementioned Louisiana statute, we are revising the Windstorm Construction Program rules under Commercial Property Rule **70**. and

Businessowners rule **A5.**, and Farm Rule **A7.** Windstorm Construction Features (Non-Residential) to remove reference to single-family residential properties.

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DIVISION FIVE – FIRE AND ALLIED LINES

70. CAUSES OF LOSS – BASIC FORM

The following is added to Paragraph E.:

3. Windstorm Construction Program

a. Introduction

With respect to all ~~single-family residential properties~~ and commercial properties, insurers shall provide for premium discounts, credits or other adjustments to reduce premiums when an insured builds or retrofits a structure to resist loss due to hurricane, tornado or other catastrophic windstorm events in compliance with the requirements of the Insurance Institute for Business & Home Safety (IBHS®).

b. Eligibility

Insurable properties, including ~~single-family residential properties~~ and commercial properties, are eligible for credit if the property has been certified as constructed in accordance with the Fortified Home™ or Fortified Commercial™ program promulgated by the IBHS®. The credit or discount shall apply only to policies that provide wind coverage and does not apply if the insured elects to exclude coverage for Wind and Hail losses through Windstorm Or Hail Exclusion Endorsement **CP 10 54**.



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DIVISION FOUR – FARM

A7. WINDSTORM CONSTRUCTION FEATURES – RESIDENTIAL

A. Eligibility

1. With respect to a one- or two-family owner-occupied premises, insurers shall provide for premium discounts, credits or other adjustments to reduce premiums with respect to insureds who build or retrofit a structure to comply with the State Uniform Construction Code and/or install mitigation improvements or retrofit their property utilizing construction techniques demonstrated to reduce the amount of loss from a windstorm or hurricane.

Credits are provided for windstorm loss mitigation features and/or construction techniques for eligible farm dwelling properties, for which coverage is provided against Windstorm Or Hail, upon proof of implementation of windstorm loss mitigation features and/or construction techniques by the insured.

The Louisiana State Uniform Construction Code credit program applies:

- On a mandatory basis to one- or two-family owner-occupied farm dwellings located in Louisiana which meet the eligibility requirements.
- On an optional basis to three- or four-family owner-occupied and all non-owner-occupied farm dwellings located in Louisiana which meet the eligibility requirements.

Paragraph A.1. does not apply to buildings or structures used for farming purposes or to mobile homes, modular homes or prefabricated homes used for any purpose. Eligible windstorm loss mitigation features and/or construction techniques must:

- a. Comply with the minimum requirements of the Louisiana State Uniform Construction Code; and
- b. Enhance:
 - (1) Roof deck attachment;
 - (2) Secondary water barriers;
 - (3) Roof strength;
 - (4) Roof covering performance;
 - (5) Roof-to-wall strength;
 - (6) Wall-to-floor foundation strength;
 - (7) Opening protection; or
 - (8) Window, door or skylight strength.

2. With respect to insurable property, including residential property, modular homes and manufactured homes that may be retrofitted, insurers shall provide for premium discounts, credits or other adjustments to reduce premiums when an insured builds or retrofits a structure to resist loss due to hurricane, tornado or other catastrophic windstorm events in compliance with the requirements of the Insurance Institute for Business & Home Safety (IBHS®). Properties are eligible for credit if the dwelling has been certified as constructed in accordance with the Fortified Home™ program promulgated by the IBHS®. This credit or discount is in place of, not in addition to, any other mitigation adjustments, including those in place prior to January 1, 2022, if they are deemed to be duplicative. Paragraph A.2. does not apply to buildings or structures used for farming purposes.

For alternatives (if any) to the credit provisions, refer to company.

3. Additional Rule A7. applies if the insured does not elect to exclude coverage for wind and hail losses through Windstorm Or Hail Exclusion Endorsement **FP 10 15.**

C. Windstorm Loss Mitigation Features (Properties Eligible Under Paragraph A.1.)

With respect to a farm dwelling and subject to all other provisions of this Windstorm Loss Mitigation Program, credit is based on one or more of the following building features:

1. Roof Cover And Roof Covering Attachment

- a. Louisiana State Uniform Construction Code (LSUCC) Equivalent: Roof coverings and attachments in compliance with the LSUCC; or
- b. Non-Louisiana State Uniform Construction Code (Non-LSUCC) Equivalent: Roof coverings that do not meet the requirements of the LSUCC Equivalent.

2. Roof Deck Attachment

- a. Level A: Plywood/Oriented Strand Board (OSB) with two inch nails spaced at six inches from the edge of the plywood and 12 inches in the field on 24-inch truss spacing;

- b. Level B: Plywood/OSB with 2 1/2 inch nails spaced at six inches from the edge of the plywood and 12 inches in the field on 24-inch truss spacing;
- c. Level C: Plywood/OSB with 2 1/2 inch nails spaced at six inches from the edge of the plywood and six inches in the field on 24-inch truss spacing;
- d. Level D: Dimensional Lumber (DL) and Tongue and Groove Decks composed of 3/4 inch thick boards with nominal widths of four inches or more; or
- e. Reinforced Concrete Roof (RCR) Deck: A roof deck that is designed and constructed in accordance with the provisions of American Concrete Institute (ACI) 318 Building Code Requirements For Structural Concrete, including integral construction with a masonry wall system.

3. Roof-to-wall Connection

- a. Toe Nails: Three nails driven at an oblique angle through the rafter and into the top plate;
- b. Clips: Pieces of metal that are nailed into the side of the rafter/truss and into the side of the top plate or wall stud. The metal does not wrap around the top of the rafter/truss, and the clip is only located on one side of the connection;
- c. Single Wraps: A single strap that is attached to the side and/or bottom of the top plate and is nailed to the rafter/truss; or
- d. Double Wraps: Straps that are wrapped on both sides, are attached to the side and/or bottom of the top plate, and are nailed to the rafter/truss.

4. Opening Protection

- a. None: Glazed openings that are not protected for impact resistance;
- b. Tempered, Heated, Laminated, or Insulated Glass without shutters;
- c. Basic Storm Shutters: all glazed openings that meet the requirements of the American Society for Testing and Materials (ASTM) standards ASTM E 1886 and ASTM E 1996 for small missile impact testing (4.5 pounds); or
- d. Hurricane Storm Shutters: all glazed openings protected to meet the requirements of ASTM E 1886 and ASTM E 1996 Standard Building Code SSTD-12 for large missile impact testing (nine pounds).

5. Secondary Water Resistance (SWR)

- a. No SWR; or
- b. SWR may be achieved by applying:
 - (1) Self-adhering Modified Bitumen Tape to the plywood joints of the roof; or
 - (2) Foamed polyurethane structural adhesive from inside the attic to cover the joints between all plywood sheets of the roof.

6. Roof Shape

- a. Gable Roof with Braced-ends: roof structure in which the triangular portion of the wall between the edges of the sloping roof is strengthened by additional support;
- b. Hip shape: roof has sloping ends and sloping sides down to the roof eaves line; or
- c. Other: other than hip shape or gable roof with braced-ends.

7. Door Strength

- a. Unreinforced Double Width Doors;
- b. Reinforced Sliding Door;
- c. Single Width Doors;
- d. Reinforced Single Width Doors;
- e. Reinforced Double Width Doors; or
- f. Unknown.

D. Windstorm Credit Provisions (Properties Eligible Under Paragraph A.1.)

1. With respect to a farm dwelling, to compute the loss cost reflecting the Windstorm Mitigation Program credit amount, select the applicable building feature(s) shown in Table **A7.E**. Windstorm Loss Mitigation Credits – Farm Dwelling. Add all applicable credits to determine the total credit. Subtract the total credit from 1.00 to determine the applicable Windstorm Loss Mitigation factor (for example, a total credit of 0.10 would result in a factor of 0.90). Multiply the premium (developed by the company from the loss costs) by the applicable windstorm loss mitigation factor.

2. If eligible windstorm loss mitigation features are installed during the policy period, adjust the premium midterm, on a pro rata basis. The adjustment is calculated based on the time at which the company accepts the mitigation measures.

F. Premium Determination (Properties Eligible Under Paragraph A.2.)

1. Multiply the premium (developed by the company from the rates) by the appropriate Wind Mitigation Factor from the following table for the applicable certificate level for a residential exposure:

Zone	IBHS FORTIFIED Home Certificate Level		
	Bronze/ Roof	Silver	Gold/FSL
1	0.946	0.934	0.930
2	0.943	0.930	0.928
3	0.897	0.877	0.858
4	0.828	0.799	0.769
5	0.829	0.800	0.770

Table A7.F.1. Louisiana Residential Exposure Wind Mitigation Factors

2. If retrofitting occurs during the policy period, adjust the premium midterm on a pro rata basis. The adjustment is calculated based on the time at which the company accepts the mitigation measures.

DIVISION FIVE – FIRE AND ALLIED LINES

70. CAUSES OF LOSS – BASIC FORM

The following is added to Paragraph E.:

3. Windstorm Construction Program

a. Introduction

With respect to all residential and commercial properties, insurers shall provide for premium discounts, credits or other adjustments to reduce premiums when an insured builds or retrofits a structure to resist loss due to hurricane, tornado or other catastrophic windstorm events in compliance with the requirements of the Insurance Institute for Business & Home Safety (IBHS®).

b. Eligibility

Insurable properties, including residential and commercial properties, are eligible for credit if the property has been certified as constructed in accordance with the Fortified Home™ or Fortified Commercial™ program promulgated by the IBHS®. The credit or discount shall apply only to policies that provide wind coverage and does not apply if the insured elects to exclude coverage for Wind and Hail losses through Windstorm Or Hail Exclusion Endorsement **CP 10 54**.

DIVISION TEN – BUSINESSOWNERS

A5. WINDSTORM CONSTRUCTION PROGRAM

A. Introduction

With respect to all residential and commercial properties, insurers shall provide for premium discounts, credits or other adjustments to reduce premiums when an insured builds or retrofits a structure to resist loss due to hurricane, tornado, or other catastrophic windstorm events in compliance with the requirements of the Insurance Institute for Business & Home Safety (IBHS®).

B. Eligibility

Insurable property, including residential and commercial properties, are eligible for credit if the property has been certified as constructed in accordance with the Fortified Home™ or Fortified Commercial™ program promulgated by the IBHS®.

C. Proof Of Compliance

The following applies to property eligible for the IBHS® Fortified Home™ or Fortified Commercial™ program:

1. An insurable property shall be certified as constructed in accordance with the Fortified Home or Fortified Commercial standards only after inspection and certification by an IBHS® **certified** inspector.
2. An owner of insurable property claiming a credit or discount shall maintain and provide certification records and construction records, including certification of compliance with the IBHS® standards, for which the owner seeks a discount. Such documents may include but are not limited to receipts for contractors, receipts for materials, and records from local building officials. The IBHS® certification documents shall be considered evidence of compliance with the Fortified Home or Fortified Commercial standards. The certification shall be presented to the insurer or potential insurer of a property owner before the adjustment becomes effective for the insurable property, along with any other necessary records.
3. The credit will only apply for five years from the date of the designation. In order to continue receiving the mitigation credit after five years, the property must be re-inspected and re-designated by the IBHS®. If the IBHS® designation expires, the applicable mitigation credit will expire upon renewal.

D. Calculate Rates Adjusted For Wind Mitigation Credits

Compute the wind mitigation credit as follows for policies where Windstorm Or Hail Exclusion Endorsement **BP 14 84** is not attached to the policy:

1. Determine the Wind Mitigation Discount by using state Table **A5.D.1.(RF)** to determine the Wind Mitigation Discount for the applicable certificate level for the risk.
2. Determine the appropriate base rates for Buildings and Business Personal Property (BPP) from state Table **#1(LC)** for the applicable territory.
3. Determine the appropriate Windstorm or Hail Exclusion Credit for Buildings and BPP from state Table **29.A.39.d.(LC)** for the applicable territory.
4. Calculate the adjusted building and business personal property state base rates as described below. The calculation serves to remove a portion (i.e., the discount amount) of the component of the total rate that covers wind and hail types of loss from the total rate:

Adjusted Building Base Rate =

$$\begin{aligned} & \text{Building Base Rate from state Table \#1(LC)} \\ & - \text{(Buildings Windstorm or Hail Exclusion Credit from state Table 29.A.39.d.(LC)} \\ & \times \text{Wind Mitigation Discount Determined in Rule A5.D.)} \end{aligned}$$

The same calculation applies for BPP, but using the BPP base rate and Windstorm or Hail Exclusion Credit instead of the Building base rate and Windstorm or Hail Exclusion Credit.

5. When mitigation measures are installed midterm, premium adjustment is required on a pro rata basis.



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DIVISION FOUR – FARM

A7. WINDSTORM CONSTRUCTION FEATURES – RESIDENTIAL

A. Eligibility

1. With respect to a one- or two-family owner-occupied premises, insurers shall provide for premium discounts, credits or other adjustments to reduce premiums with respect to insureds who build or retrofit a structure to comply with the State Uniform Construction Code and/or install mitigation improvements or retrofit their property utilizing construction techniques demonstrated to reduce the amount of loss from a windstorm or hurricane.

Credits are provided for windstorm loss mitigation features and/or construction techniques for eligible farm dwelling properties, for which coverage is provided against Windstorm Or Hail, upon proof of implementation of windstorm loss mitigation features and/or construction techniques by the insured.

The Louisiana State Uniform Construction Code credit program applies:

- On a mandatory basis to one- or two-family owner-occupied farm dwellings located in Louisiana which meet the eligibility requirements.
- On an optional basis to three- or four-family owner-occupied and all non-owner-occupied farm dwellings located in Louisiana which meet the eligibility requirements.

Paragraph A.1. does not apply to buildings or structures used for farming purposes or to mobile homes, modular homes or prefabricated homes used for any purpose. Eligible windstorm loss mitigation features and/or construction techniques must:

- a. Comply with the minimum requirements of the Louisiana State Uniform Construction Code; and
- b. Enhance:
 - (1) Roof deck attachment;
 - (2) Secondary water barriers;
 - (3) Roof strength;
 - (4) Roof covering performance;
 - (5) Roof-to-wall strength;
 - (6) Wall-to-floor foundation strength;
 - (7) Opening protection; or
 - (8) Window, door or skylight strength.

2. With respect to insurable property, including ~~single-family~~ residential property, modular homes and manufactured homes that may be retrofitted, insurers shall provide for premium discounts, credits or other adjustments to reduce premiums when an insured builds or retrofits a structure to resist loss due to hurricane, tornado or other catastrophic windstorm events in compliance with the requirements of the Insurance Institute for Business & Home Safety (IBHS®). Properties are eligible for credit if the dwelling has been certified as constructed in accordance with the Fortified Home™ program promulgated by the IBHS®. This credit or discount is in place of, not in addition to, any other mitigation adjustments, including those in place prior to January 1, 2022, if they are deemed to be duplicative. Paragraph A.2. does not apply to buildings or structures used for farming purposes.

For alternatives (if any) to the credit provisions, refer to company.

3. Additional Rule A7. applies if the insured does not elect to exclude coverage for wind and hail losses through Windstorm Or Hail Exclusion Endorsement **FP 10 15.**

C. Windstorm Loss Mitigation Features (Properties Eligible Under Paragraph A.1.):

With respect to a farm dwelling and subject to all other provisions of this Windstorm Loss Mitigation Program, credit is based on one or more of the following building features:

1. Roof Cover And Roof Covering Attachment

- a. Louisiana State Uniform Construction Code (LSUCC) Equivalent: Roof coverings and attachments in compliance with the LSUCC; or
- b. Non-Louisiana State Uniform Construction Code (Non-LSUCC) Equivalent: Roof coverings that do not meet the requirements of the LSUCC Equivalent.

2. Roof Deck Attachment

- a. Level A: Plywood/Oriented Strand Board (OSB) with two inch nails spaced at six inches from the edge of the plywood and 12 inches in the field on 24-inch truss spacing;

- b. Level B: Plywood/OSB with 2 1/2 inch nails spaced at six inches from the edge of the plywood and 12 inches in the field on 24-inch truss spacing;
- c. Level C: Plywood/OSB with 2 1/2 inch nails spaced at six inches from the edge of the plywood and six inches in the field on 24-inch truss spacing;
- d. Level D: Dimensional Lumber (DL) and Tongue and Groove Decks composed of 3/4 inch thick boards with nominal widths of four inches or more; or
- e. Reinforced Concrete Roof (RCR) Deck: A roof deck that is designed and constructed in accordance with the provisions of American Concrete Institute (ACI) 318 Building Code Requirements For Structural Concrete, including integral construction with a masonry wall system.

3. Roof-to-wall Connection

- a. Toe Nails: Three nails driven at an oblique angle through the rafter and into the top plate;
- b. Clips: Pieces of metal that are nailed into the side of the rafter/truss and into the side of the top plate or wall stud. The metal does not wrap around the top of the rafter/truss, and the clip is only located on one side of the connection;
- c. Single Wraps: A single strap that is attached to the side and/or bottom of the top plate and is nailed to the rafter/truss; or
- d. Double Wraps: Straps that are wrapped on both sides, are attached to the side and/or bottom of the top plate, and are nailed to the rafter/truss.

4. Opening Protection

- a. None: Glazed openings that are not protected for impact resistance;
- b. Tempered, Heated, Laminated, or Insulated Glass without shutters;
- c. Basic Storm Shutters: all glazed openings that meet the requirements of the American Society for Testing and Materials (ASTM) standards ASTM E 1886 and ASTM E 1996 for small missile impact testing (4.5 pounds); or
- d. Hurricane Storm Shutters: all glazed openings protected to meet the requirements of ASTM E 1886 and ASTM E 1996 Standard Building Code SSTD-12 for large missile impact testing (nine pounds).

5. Secondary Water Resistance (SWR)

- a. No SWR; or
- b. SWR may be achieved by applying:
 - (1) Self-adhering Modified Bitumen Tape to the plywood joints of the roof; or
 - (2) Foamed polyurethane structural adhesive from inside the attic to cover the joints between all plywood sheets of the roof.

6. Roof Shape

- a. Gable Roof with Braced-ends: roof structure in which the triangular portion of the wall between the edges of the sloping roof is strengthened by additional support;
- b. Hip shape: roof has sloping ends and sloping sides down to the roof eaves line; or
- c. Other: other than hip shape or gable roof with braced-ends.

7. Door Strength

- a. Unreinforced Double Width Doors;
- b. Reinforced Sliding Door;
- c. Single Width Doors;
- d. Reinforced Single Width Doors;
- e. Reinforced Double Width Doors; or
- f. Unknown.

D. Windstorm Credit Provisions (Properties Eligible Under Paragraph A.1.):

- 1. With respect to a farm dwelling, to compute the loss cost reflecting the Windstorm Mitigation Program credit amount, select the applicable building feature(s) shown in Table **A7.E**. Windstorm Loss Mitigation Credits – Farm Dwelling. Add all applicable credits to determine the total credit. Subtract the total credit from 1.00 to determine the applicable Windstorm Loss Mitigation factor (for example, a total credit of 0.10 would result in a factor of 0.90). Multiply the premium (developed by the company from the loss costs) by the applicable windstorm loss mitigation factor.

2. If eligible windstorm loss mitigation features are installed during the policy period, adjust the premium midterm, on a pro rata basis. The adjustment is calculated based on the time at which the company accepts the mitigation measures.

F. Premium Determination (Properties Eligible Under Paragraph A.2.):

1. Multiply the premium (developed by the company from the rates) by the appropriate Wind Mitigation Factor from the following table for the applicable certificate level for a single-family residential exposure:

Zone	IBHS FORTIFIED Home Certificate Level		
	Bronze/ Roof	Silver	Gold/FSL
1	0.946	0.934	0.930
2	0.943	0.930	0.928
3	0.897	0.877	0.858
4	0.828	0.799	0.769
5	0.829	0.800	0.770

Table A7.F.1. Louisiana Residential Exposure Wind Mitigation Factors

2. If retrofitting occurs during the policy period, adjust the premium midterm on a pro rata basis. The adjustment is calculated based on the time at which the company accepts the mitigation measures.

DIVISION FIVE – FIRE AND ALLIED LINES

70. CAUSES OF LOSS – BASIC FORM

The following is added to Paragraph E.:

3. Windstorm Construction Program

a. Introduction

With respect to all ~~single-family residential properties~~ and commercial properties, insurers shall provide for premium discounts, credits or other adjustments to reduce premiums when an insured builds or retrofits a structure to resist loss due to hurricane, tornado or other catastrophic windstorm events in compliance with the requirements of the Insurance Institute for Business & Home Safety (IBHS®).

b. Eligibility

Insurable properties, including ~~single-family residential properties~~ and commercial properties, are eligible for credit if the property has been certified as constructed in accordance with the Fortified Home™ or Fortified Commercial™ program promulgated by the IBHS®. The credit or discount shall apply only to policies that provide wind coverage and does not apply if the insured elects to exclude coverage for Wind and Hail losses through Windstorm Or Hail Exclusion Endorsement **CP 10 54**.

DIVISION TEN – BUSINESSOWNERS

A5. WINDSTORM CONSTRUCTION PROGRAM

A. Introduction

With respect to all ~~single-family residential properties~~ and commercial properties, insurers shall provide for premium discounts, credits or other adjustments to reduce premiums when an insured builds or retrofits a structure to resist loss due to hurricane, tornado, or other catastrophic windstorm events in compliance with the requirements of the Insurance Institute for Business & Home Safety (IBHS®).

B. Eligibility

Insurable property, including ~~single-family residential properties~~ and commercial properties, are eligible for credit if the property has been certified as constructed in accordance with the Fortified Home™ or Fortified Commercial™ program promulgated by the IBHS®.

C. Proof Of Compliance

The following applies to property eligible for the IBHS® Fortified Home™ or Fortified Commercial™ program:

1. An insurable property shall be certified as constructed in accordance with the Fortified Home or Fortified Commercial standards only after inspection and certification by an IBHS® **certified** inspector.
2. An owner of insurable property claiming a credit or discount shall maintain and provide certification records and construction records, including certification of compliance with the IBHS® standards, for which the owner seeks a discount. Such documents may include but are not limited to receipts for contractors, receipts for materials, and records from local building officials. The IBHS® certification documents shall be considered evidence of compliance with the Fortified Home or Fortified Commercial standards. The certification shall be presented to the insurer or potential insurer of a property owner before the adjustment becomes effective for the insurable property, along with any other necessary records.
3. The credit will only apply for five years from the date of the designation. In order to continue receiving the mitigation credit after five years, the property must be re-inspected and re-designated by the IBHS®. If the IBHS® designation expires, the applicable mitigation credit will expire upon renewal.

D. Calculate Rates Adjusted For Wind Mitigation Credits

Compute the wind mitigation credit as follows for policies where Windstorm Or Hail Exclusion Endorsement **BP 14 84** is not attached to the policy:

1. Determine the Wind Mitigation Discount by using state Table **A5.D.1.(RF)** to determine the Wind Mitigation Discount for the applicable certificate level for the risk.
2. Determine the appropriate base rates for Buildings and Business Personal Property (BPP) from state Table **#1(LC)** for the applicable territory.
3. Determine the appropriate Windstorm or Hail Exclusion Credit for Buildings and BPP from state Table **29.A.39.d.(LC)** for the applicable territory.
4. Calculate the adjusted building and business personal property state base rates as described below. The calculation serves to remove a portion (i.e., the discount amount) of the component of the total rate that covers wind and hail types of loss from the total rate:

Adjusted Building Base Rate =

$$\begin{aligned} & \text{Building Base Rate from state Table } \mathbf{\#1(LC)} \\ & - \quad \text{(Buildings Windstorm or Hail Exclusion Credit from state Table } \mathbf{29.A.39.d.(LC)} \\ & \times \quad \text{Wind Mitigation Discount Determined in Rule } \mathbf{A5.D.)} \end{aligned}$$

The same calculation applies for BPP, but using the BPP base rate and Windstorm or Hail Exclusion Credit instead of the Building base rate and Windstorm or Hail Exclusion Credit.

5. When mitigation measures are installed midterm, premium adjustment is required on a pro rata basis.