INSURANCE/HOMEOWNERS: Provides relative to homeowner's insurance policies that require a civil authority to prohibit use of the dwelling in order to pay loss of use benefits

AN ACT

To enact R.S. 22:1338, relative to homeowner's insurance policies; to provide certain means by which a policy requirement for loss of use benefits is satisfied; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 22:1338 is hereby enacted to read as follows:

§1338. Homeowner's insurance policies; loss of use pursuant to civil authority

Any insurer issuing homeowner's insurance policies that require a civil authority to prohibit use of the dwelling in order to pay loss of use benefits shall consider that requirement satisfied if either of the following occurs:

(1) A mandatory evacuation order is issued by a civil authority for the area in which the dwelling is located.

(2) A civil authority declares through a formal order or announcements in public media that the area in which the dwelling is located is unsafe as a result of a peril covered by the policy.
Abstract: Provides relative to homeowner's insurance policies that require a civil authority to prohibit use of the dwelling in order to pay loss of use benefits.

Proposed law provides that any homeowner's insurance policy requirement that necessitates a civil authority to prohibit use of the dwelling in order to pay loss of use benefits shall be considered satisfied if either of the following occurs:

1. A mandatory evacuation order is issued by a civil authority.

2. A civil authority declares through a formal order or announcements in public media that the area in which the dwelling is located is unsafe as a result of a peril covered by the policy.

(Adds R.S. 22:1338)