

2025 Regular Session

SENATE BILL NO. 111

BY SENATOR SEABAUGH

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

INSURANCE CLAIMS. Provides for fair claims processing. (8/1/25)

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AN ACT

To amend and reenact R.S. 22:1892(I)(2)(a) and (3) and to enact R.S. 22:1892(I)(4), relative to insurance claims; to provide for breach of good faith duty; to provide for limitations on causes of action; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 22:1892(I)(2)(a) and (3) are hereby amended and reenacted and 1892(I)(4) is hereby enacted to read as follows:

§1892. Payment and adjustment of claims; policies other than life and health and accident; good faith duty; breach of good faith duty; vehicle damage claims; extension of time to respond to claims during emergency or disaster; penalties; arson-related claims suspension; definitions

* * *

I.

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(2) Any one of the following acts, if knowingly committed or performed by an insurer or representative of the insurer, constitutes a breach of the insurer's duties imposed in Paragraph (1) of this Subsection:

1 (a) A misrepresentation of pertinent facts ~~or insurance policy provisions~~
2 relating to any coverages at issue **or a misrepresentation of relevant insurance**
3 **policy provisions.**

4 * * *

5 (3) **The provisions of this Subsection shall not create a cause of action**
6 **against an insurer by the insured or claimant when any of the following**
7 **conditions are present:**

8 (a) **There is a good faith dispute as to liability.**

9 (b) **There is a good faith dispute as to medical causation for the injuries**
10 **alleged by the claimant.**

11 (c) **No offer has been presented by or on behalf of a third-party claimant**
12 **within the applicable policy limits.**

13 (d) **The insurer has not had the opportunity to conduct adequate**
14 **discovery.**

15 (e) **The insurer is not in breach of any pertinent policy provisions.**

16 (4) The provisions of this Subsection shall not create a separate cause of
17 action against a representative of the insurer distinct and apart from the cause of
18 action against the insurer.

19 * * *

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Senate Legislative Services. The keyword, summary, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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Present law provides that an insurer owes its insured a duty of good faith and fair dealing.

Present law further provides acts by an insurer that constitute a breach of the insurer's duty of good faith and fair dealing.

Proposed law retains present law and further clarifies that a misrepresentation of relevant policy provisions constitutes a violation of the duty of good faith and fair dealing.

Proposed law limits a cause of action when certain conditions are present.

Effective August 1, 2025.

(Amends R.S. 22:1892(I)(2)(a) and (3); adds 22:1892(I)(4))