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)]

DIGEST

SB 111 Reengrossed | 2025 Regular Session | Seabaugh

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

Present law further provides for acts by an insurer that constitute a breach of the insurer's 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 R.S. 22:1892(I)(4))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Insurance to the original bill

1. Clarifies that provisions of proposed law only apply to personal injury and bodily injury claims.

2. Make technical changes.

Senate Floor Amendments to engrossed bill

1. Clarifies that there is no cause of action for bad faith against an insurer when a third-party has not presented an offer of settlement within the policy limits and given the insurer at least 30 days to respond.

2. Deletes condition that there is no cause of action for bad faith when the insurer is not in breach of any pertinent policy provisions.