

2017 Regular Session

HOUSE BILL NO. 217

BY REPRESENTATIVE JORDAN

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

INSURANCE: Provides relative to the regulation of unfair competition and unfair trade practices by vehicle mechanical breakdown insurers

1 AN ACT

2 To enact R.S. 22:373(C), relative to vehicle mechanical breakdown insurers; to provide for
3 the incorporation by reference of certain laws regulating unfair competition; to
4 provide for the incorporation by reference of certain laws regulating unfair trade
5 practices; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 22:373(C) is hereby enacted to read as follows:

8 §373. Scope and limitations

9 * * *

10 C. All vehicle mechanical breakdown insurers operating pursuant to a license
11 as required by this Subpart shall be subject to the following insurance laws of this
12 state specifically incorporated herein by reference: R.S. 22:1961 through 1963,
13 1964(1) through (7), (12) through (14), (16) through (18), and (25), and 1967
14 through 1971.

15 Section 2. This Act shall become effective on July 1, 2017.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, 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)]

HB 217 Engrossed

2017 Regular Session

Jordan

Abstract: Makes certain provisions of the Insurance Code regulating unfair competition and unfair trade practices applicable to vehicle mechanical breakdown insurers.

Present law provides that all licensed vehicle mechanical breakdown insurers are subject only to the specific provisions governing vehicle mechanical breakdown insurers in Title 22 of the La. Revised Statutes of 1950, and are exempt from the applicability of all other provisions of Title 22, except where such laws are specifically incorporated by reference into the provisions governing vehicle mechanical breakdown insurers.

Proposed law retains present law and specifically incorporates by reference the provisions of R.S. 22:1961-1963, 1964(1)-(7), (12)-(14), (16)-(18), and (25), and 1967-1971, defining unfair trade practices and authorizing the commissioner of insurance to investigate unfair trade practices, hold hearings on suspected violations, impose penalties for violations, issue cease and desist orders as applicable, and provide civil immunity for good faith reporting of suspected unfair trade practices.

Effective July 1, 2017.

(Adds R.S. 22:373(C))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Insurance to the original bill:

1. Make applicable to vehicle mechanical breakdown insurers additional specific provisions of Title 22 governing unfair competition and unfair trade practices, including R.S. 22:1961-1963, 1964(1)-(7), (12)-(14), (16)-(18), and (25).