

## RÉSUMÉ DIGEST

**ACT 317 (HB 411)**

**2019 Regular Session**

**Terry Landry**

Relative to motor vehicle repair claims, prior law prohibited an insurer from requiring the insured to use a particular place or shop as a condition to making a payment incident to a claim.

New law changes prior law to prohibit an insurer from requiring that an insured has to use a particular place or shop for repairs under any circumstance.

New law requires an insurer to provide notice to the insured that there is no requirement to use a recommended motor vehicle service or network of repair services.

New law prohibits an insurer from intimidating, coercing, or threatening an insured to use a specified place of business for repair and replacement services.

Prior law required that an insurer in violation of prior law be fined not more than \$500 for each offense.

New law repeals prior law and provides that if the insurer violates new law then the commissioner of insurance may fine the insurer \$1,000 for the first offense, \$2,500 for a second offense that occurs within a twelve-month period of the first offense, and \$5,000 for a third or subsequent offense that occurs within a twelve-month period of the preceding offense.

Effective August 1, 2019.

(Amends R.S. 22:1892(D))