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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by LG Sullivan.

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DIGEST

SB 477 Original

2020 Regular Session

Ward

Proposed law requires every policy of insurance in force in this state on March 11, 2020, and thereafter insuring against loss or damage to property that includes the loss of use and occupancy and business interruption to be construed to include coverage for business interruption due to the threat posed by COVID-19 as provided in Proclamation Number 25 JBE 2020, declaring the existence of a statewide public health emergency. Requires the coverage to indemnify the insured, subject to the limits of the policy, for any loss of business or business interruption. Applies retroactively to March 11, 2020, to losses incurred during the declared state of emergency.

Proposed law requires every policy of insurance covering business interruption delivered or issued for delivery in this state on and after August 1, 2020, to include a notice of all exclusions on a form prescribed by the commissioner of insurance. Requires the form to be provided by the insurer and signed by the named insured or his legal representative.

Proposed law provides that the signed form shall be conclusively presumed to become a part of the policy or contract and creates a rebuttable presumption that the insured knowingly contracted for coverage with the stated exclusions.

Proposed law applies to any property insurance covering any business interruption that occurs in La. and involves a La. business.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Adds R.S. 22:1272 and 1273)