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

DIGEST 2022 Regular Session

Smith

Present law provides for the regulation of financial institutions.

<u>Proposed law</u> requires a financial institution to assist a property owner that has an insurance claim for property loss in any way possible to ensure the affected property is rebuilt or repaired in the quickest, most efficient manner possible.

<u>Proposed law</u> provides that to assist the property owner, the financial institution shall, at a minimum, do the following:

- (1) Provide the property owner with a contact within the financial institution.
- (2) Establish and implement a standard formula for the release of insurance claim proceeds held by the financial institution to the property owner.
- (3) Provide for an appeal process of any decision that fails to assist the property owner in the rebuilding or repair of the affected property.

<u>Proposed law</u> penalizes a financial institution that fails to comply with <u>proposed law</u> with penalties established in <u>present law</u> and provides that a violation of <u>proposed law</u> also be considered an unfair or deceptive practice or act and subject the financial institution to penalties as provided in the Unfair Trade Practices Law.

Effective August 1, 2022.

(Adds R.S. 6:424)

SB 355 Original