The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Beth O'Quin.

## DIGEST 2022 Regular Session

Talbot

<u>Present law</u> provides a prohibition for motor vehicle insurance policy and uninsured motorist coverage for bodily injury cannot limit the coverage of, or the amount that can be recovered by the named insured, the spouse or other family member of the named insured when the insured has implied or permissive use of the motor vehicle and the policy cannot limit the coverage to anything less than the highest policy limit for respective coverage or potential recovery.

<u>Proposed law</u> retains <u>present law</u> but adds non-owned motor vehicles that are in the custody of, or operated by the named insured, spouse, or other family member cannot be limited for bodily injury to less than the highest amount provided in the policy for respective or potential coverage.

<u>Present law</u> requires insurers writing automobile liability insurance, physical damage insurance or collision insurance is required to extend coverage for an insured's temporary use of a motor vehicle as defined in the applicable insurance policy and to rental vehicles any and all coverage in effect in the insured's original policy or policies. If an insured has coverage on a single or multiple vehicles, at least one must have comprehensive, collision, or liability insurance coverage, and the coverages shall apply to the temporary substitute vehicle, as defined in the applicable insurance policy, or rental motor vehicle. Requires insurance is primary, except if other automobile insurance coverage or financial responsibility protection is purchased by the insured for the temporary substitute or rental motor vehicle, then that coverage is primary. Further, the coverage purchased by the insured is not considered a collateral source.

<u>Proposed law</u> retains <u>present law</u> but includes coverage for a non-owned temporary motor vehicle or a substitute vehicle as defined in the applicable insurance policy.

Effective August 1, 2022.

SB 122 Engrossed

(Amends R.S. 22:1282 and 22:1296(A))

## Summary of Amendments Adopted by Senate

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

- 1. Makes technical changes.
- 2. Adds a prohibition for motor vehicle liability insurance policies and uninsured motorist coverage for bodily injury cannot limit the coverage or the amount recovered by the named insured, the spouse, or a family member from providing less

than the highest limit provided in the policy for the respective coverage or potential recovery involving the insured has custody or is operating a non-owned vehicle on a temporary based with express or implied consent from the motor vehicle owner.

- 3. Provides recovery for an owned motor vehicle and a non-owned motor vehicle is limited to damages actually sustained.
- 4. Provides coverage to a non-owned temporary motor vehicle to a substitute motor vehicle as defined in the applicable policy.
- 5. Adds non-owned temporary motor vehicle to present law.