SLS 22RS-1191

ORIGINAL

2022 Regular Session

SENATE BILL NO. 428

BY SENATOR ROBERT MILLS

INSURANCE POLICIES. Repeals the authorization for insurance companies to deduct defense costs from liability policy limits. (gov sig)

| 1 | AN ACT |
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| 2 | To repeal R.S. 22:1272, relative to property and casualty insurance; to provide relative to |
| 3 | defense costs; to provide with respect to the authorization of the commissioner of |
| 4 | insurance to allow an authorized insurer to reduce the policy liability limits by the |
| 5 | amount of the defense costs in certain circumstances; to provide for an effective date; |
| 6 | and to provide for related matters. |
| 7 | Be it enacted by the Legislature of Louisiana: |
| 8 | Section 1. R.S. 22:1272 is hereby repealed. |
| 9 | Section 2. This Act shall become effective upon signature by the governor or, if not |
| 10 | signed by the governor, upon expiration of the time for bills to become law without signature |
| 11 | by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If |
| 12 | vetoed by the governor and subsequently approved by the legislature, this Act shall become |
| 13 | effective on the day following such approval. |

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Carla S. Roberts.

SB 428 Original

DIGEST 2022 Regular Session

Robert Mills

<u>Proposed law</u> repeals provisions which authorize the commissioner of insurance to allow an authorized insurer to reduce the policy limits on certain liability policies by the legal costs associated with defending the policy holder from liability under the policy.

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

(Repeals R.S. 22:1272)