

2022 Regular Session

HOUSE BILL NO. 1001

BY REPRESENTATIVE LYONS

INSURANCE/PROPERTY: Provides for an installment plan for hurricane deductibles

1 AN ACT

2 To enact R.S. 22:1486, relative to hurricane deductibles; to provide an option for insureds
3 to opt into an installment plan; to provide for the application of funds held in trust
4 to an insured's deductible; to provide for a withdrawal from the installment plan; to
5 provide for the return of funds held in trust; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 22:1486 is hereby enacted to read as follows:

8 §1486. Hurricane deductible; installment plan

9 A. Any insurer offering insurance policies that provide coverage for
10 hurricane damage shall provide insureds with an option to pay an amount in addition
11 to the premium charged that shall be held in trust by the insurer. The additional
12 payments shall cease once the insurer holds an amount in trust equal to the insured's
13 hurricane deductible.

14 B. If an insured opts into the installment plan provided in Subsection A of
15 this Section and subsequently files a hurricane damage claim, the insurer shall apply
16 the amount held in trust to the insured's deductible, upon approving the claim.

17 C. An insured who opts into the installment plan provided in Subsection A
18 of this Section may opt out of the plan at any time by requesting such to the insurer.
19 Upon receiving a request from an insured to opt out of the installment plan, the
20 insurer shall refund any amount held in trust to the insured.

1 D. If an insured opts into the installment plan provided in Subsection A of
2 this Section and subsequently cancels or does not renew the policy, the insurer shall
3 refund any amount held in trust to the insured.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 1001 Original

2022 Regular Session

Lyons

Abstract: Provides for an installment plan for hurricane deductibles.

Proposed law provides that any insurer offering insurance policies that provide coverage for hurricane damage shall provide insureds with an option to pay an amount in addition to the premium charged that shall be held in trust by the insurer.

Proposed law provides that the additional payments shall cease once the insurer holds an amount in trust equal to the insured's hurricane deductible.

Proposed law provides that if an insured opts into the installment plan provided in proposed law and subsequently files a hurricane damage claim, the insurer shall apply the amount held in trust to the insured's deductible, upon approving the claim.

Proposed law provides that an insured who opts into the installment plan provided in proposed law may opt out of the plan at any time by requesting such to the insurer.

Proposed law provides that upon receiving a request from an insured to opt out of the installment plan, the insurer shall refund any amount held in trust to the insured.

Proposed law provides that if an insured opts into the installment plan provided in proposed law and subsequently cancels or does not renew the policy, the insurer shall refund any amount held in trust to the insured.

(Adds R.S. 22:1486)