

2022 Regular Session

SENATE BILL NO. 134

BY SENATOR TALBOT

INSURANCE POLICIES. Provides for the presumption of coverage for certain claims subsequent to a catastrophic event. (1/1/23)

1 AN ACT

2 To enact R.S. 22:1273, relative to presumption of insurance coverage; to provide a  
3 presumption of coverage for civil authority prohibited use regarding a catastrophic  
4 event; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 22:1273 is hereby enacted to read as follows:

7 **§1273. Presumption of coverage; civil authority prohibited use**

8 **A. For losses that arise due to a catastrophic event in which a state of**  
9 **disaster or emergency is declared by civil officials, for those areas within the**  
10 **declaration, if a civil authority prohibits the insured from using their residential**  
11 **premises and during that time, direct damage to a neighboring premises results**  
12 **from a covered peril, the civil authority prohibited use coverage shall be**  
13 **afforded as provided in the policy. The requirement that a civil authority**  
14 **prohibit use is satisfied if either of the following occur:**

15 **(1) A civil authority issues an order of evacuation for the area in which**  
16 **the dwelling is located as a result of a peril covered by the policy.**

17 **(2) A civil authority declares through public safety announcements that**

1            **the area in which the dwelling is located should be evacuated as a result of a**  
 2            **peril covered by the policy.**

3            **B. For purposes of this Section, insurers shall interpret, in globo, all**  
 4            **actions of a civil authority, without regard to whether formal orders of**  
 5            **evacuation were issued.**

6            Section 2. This Act shall become effective on January 1, 2023; if vetoed by the  
 7            governor and subsequently approved by the legislature, this Act shall become effective on  
 8            the day following such approval by the legislature or January 1, 2023, whichever is later.

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The original instrument and the following digest, which constitutes no part  
 of the legislative instrument, were prepared by Thomas L. Tyler.

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DIGEST

SB 134 Engrossed

2022 Regular Session

Talbot

Proposed law provides for civil authority prohibited use coverage involving catastrophic events during which a state of disaster or emergency is declared by civil authorities. Provides that if the civil authority prohibits the insured from using their residential premises during the disaster or emergency and direct damage to a neighboring premises results from the covered peril, the civil authority prohibited use coverage will be afforded as provided in the insurance policy.

Proposed law provides that civil authority prohibit use is satisfied if either of the following occur:

- (1) The civil authority issues an order of evacuation for the area in which the dwelling is located as a result of a peril covered by the policy.
- (2) A civil authority declares through public safety announcements that the area in which the dwelling is located should be evacuated as a result of a peril covered by the policy.

Proposed law requires insurers to interpret all actions of a civil authority, in globo, without regard to whether formal orders of evacuation were issued.

Effective on January 1, 2023.

(Adds R.S. 22:1273)