

RÉSUMÉ DIGEST

ACT 77 (SB 117)

2022 Regular Session

Luneau

New law provides that an approved insurance company, reciprocal or exchange, writing automobile liability, uninsured, underinsured, or medical payments coverage shall not exclude the benefits of coverage under its policy to an insured operating a vehicle not owned by the insured if all of the following requirements are satisfied:

- (1) The coverage is in full force and effect.
- (2) The insured is operating a vehicle not owned by the insured with the express or implied permission of the vehicle's owner.
- (3) The vehicle not owned by the insured that is being operated by the insured is not provided, furnished, or available to the insured on a regular basis.

New law requires that coverage provided pursuant to new law is secondary to the vehicle owner's insurance policy.

New law provides that if the coverage provided pursuant to new law is included within the coverage provided pursuant to prior law (R.S. 22:1296), requires the provisions of prior law (R.S. 22:1296) shall determine which coverage is primary.

New law provides that it is in direct response to the Louisiana Supreme Court decision in Calvin Landry & Mary Landry v. Progressive Security Insurance Company, et al, Docket Number 2021-C-00621 (January 28, 2022) to declare that it is the intent of the legislature of Louisiana in enacting new law to clearly establish that under Louisiana law, automobile insurance liability coverage related to a defendant driver's negligent operation of a vehicle not owned by the insured is covered under the conditions addressed by new law.

Effective August 1, 2022.

(Adds R.S. 22:1296.1)