

RÉSUMÉ DIGEST

ACT 364 (HB 183)

2023 Regular Session

Firment

For the purposes of insurance, new law defines an "assignment agreement" and provides that such an agreement is against public policy and is null and void.

New law prohibits a person from soliciting or accepting an assignment of any post-loss insurance benefits under a residential or commercial property insurance policy.

New law does not apply to the following:

- (1) An assignment, transfer, pledge, or conveyance granted to a federally insured financial institution, mortgagee, or a subsequent purchaser of the property.
- (2) Liability coverage under a residential or commercial property insurance policy.

New law provides that any violation of new law is considered an unfair or deceptive trade practice. Further provides that any person found to have violated new law is subject to penalties in existing law (R.S. 22:1969).

New law provides that existing law (C.C. Art. 2653) relative to the assignability of rights does not apply to new law.

New law does not prohibit an attorney from collecting a contingency fee for an action related to a property insurance claim.

Prior law prohibited a person performing home improvement contracting services from accepting an assignment of any right, benefit, proceed, or cause of action of an insured before completing the work described in the contract.

New law repeals prior law.

Effective August 1, 2023.

(Adds R.S. 22:1274; Repeals R.S. 37:2159.1(7))