

2026 Regular Session

HOUSE BILL NO. 1162

BY REPRESENTATIVE GLORIOSO

INSURANCE CLAIMS: Provides relative to the verification of contractors

1 AN ACT

2 To amend and reenact R.S. 22:1892(A)(1) and to enact R.S. 22:1892(L), relative to the  
3 payment and adjustment of insurance claims; to require insurers to verify contractor  
4 licensing before issuing certain payments; to provide for a safe harbor from penalties  
5 for payment delays related to contractor verification; and to provide for related  
6 matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 22:1892(A)(1) is hereby amended and reenacted and R.S. 22:1892(L)  
9 is hereby enacted to read as follows:

10 §1892. Payment and adjustment of claims; policies other than life and health and  
11 accident; good faith duty; breach of good faith duty; vehicle damage claims;  
12 extension of time to respond to claims during emergency or disaster;  
13 penalties; arson-related claims suspension; definitions

14 A.(1) All insurers issuing any type of contract, other than those specified in  
15 R.S. 22:1811, 1821, and Chapter 10 of Title 23 of the Louisiana Revised Statutes of  
16 1950, shall pay the amount of any claim due any insured within thirty days after  
17 receipt of satisfactory proofs of loss from the insured or any party in interest. The  
18 insurer shall notify the insurance producer of record of all such payments for  
19 property damage claims made in accordance with this Paragraph. However, if a  
20 contractor is a named payee on a check or draft intended for the repair or restoration

1 of immovable property, the insurer or its adjuster shall first verify the contractor's  
2 license status through the website or portal of the Louisiana State Licensing Board  
3 for Contractors. The amount of any claim due shall be paid within thirty days after  
4 receipt of satisfactory proof of loss and, if applicable, completion of the verification  
5 required by this Paragraph.

6 \* \* \*

7 L.(1) Notwithstanding any other provision of this Section or of R.S.  
8 22:1892.2 to the contrary, an insurer shall not be deemed to have acted in bad faith,  
9 nor shall that insurer be subject to any penalty or attorney fees, for a delay in  
10 transmitting payment if that delay is directly and reasonably attributable to the  
11 insurer's inability to verify a contractor's license through the portal or website of the  
12 Louisiana State Licensing Board for Contractors.

13 (2) To qualify for the safe harbor provided in this Subsection, the insurer  
14 shall do all of the following:

15 (a) Document the attempt to verify the license in the claim file, including the  
16 date, time, and result of the search.

17 (b) Provide written notice to the insured within five business days of the  
18 failed verification attempt, stating that payment is being withheld or delayed pending  
19 verification of the contractor's license status as required by Subsection (A)(1) of this  
20 Section.

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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)]

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HB 1162 Original

2026 Regular Session

Glorioso

**Abstract:** Provides that if a contractor is named payee on a check or draft intended for repair or restoration of immovable property, an insurer shall first verify that contractor's license status with the La. State Licensing Bd. for Contractors.

Present law provides that all insurers issuing any type of contract, other than those specified in present law, shall pay the amount of any claim due any insured within thirty days after receipt of satisfactory proofs of loss from the insured or any party in interest.

Proposed law provides that if a contractor is a named payee on a payment intended for the repair or restoration of immovable property, the insurer or its adjuster shall first verify the contractor's license status through the website or portal of the La. State Licensing Bd. for Contractors. The amount of any claim due shall be paid within thirty days after receipt of satisfactory proof of loss and, if applicable, completion of the verification required by this Paragraph.

Proposed law provides that an insurer shall not be deemed to have acted in bad faith and shall not be subject to any penalty for a delay in transmitting this payment to a contractor if that delay is directly and reasonably attributable to the insurers inability to verify that contractor's license through the website or portal of the La. State Licensing Bd. for Contractors, if the insurer documents the attempt to verify the license and provides written notice to the insured within five business days of the failed verification attempt stating the payment is being withheld or delayed in accordance with proposed law.

(Amends R.S. 22:1892(A)(1); Adds R.S. 22:1892(L))