

First Extraordinary Session, 2005

SENATE BILL NO. 55

BY SENATOR ADLEY

INSURERS. Requires insurers offering property insurance to do so throughout the state.
(gov sig)

1 AN ACT

2 To enact R.S. 22:667.1, relative to requiring property insurers to offer property insurance
3 throughout the state; to require property insurers to offer statewide coverage; to
4 prohibit application of specific deductibles on damage claims except under certain
5 circumstances; to provide for retroactive application; and to provide for related
6 matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 22:667.1 is hereby enacted to read as follows:

9 **§667.1. Property insurance to be offered statewide; special damage deductible;**
10 **conditional implementation in disaster areas**

11 **A. Every insurer who delivers, or issues for delivery, in any portion of**
12 **this state a policy of insurance which covers damage to property shall also offer**
13 **property insurance coverage throughout the entire state.**

14 **B. Any policy which contains a special deductible for damage caused by**
15 **flooding or wind attributed to a disaster, as defined in R.S. 29:723, or for**
16 **damage caused by flooding or wind which occurs within a specified time after**
17 **a hurricane or tropical storm makes landfall, then that deductible shall not**

1 apply under the terms of the policy unless the property on which the claim is
2 filed is located in an area designated by the president of the United States as a
3 disaster area pursuant to Chapter 68 of Title 42 of the United States Code and
4 the insured is eligible for financial assistance, under the individuals and
5 households program of the Federal Emergency Management Agency, in
6 repairing the damaged property.

7 C. The provisions of Subsection B of this Section shall apply retroactively
8 to August 1, 2005.

9 Section 2. This Act shall become effective upon signature by the governor or, if not
10 signed by the governor, upon expiration of the time for bills to become law without signature
11 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
12 vetoed by the governor and subsequently approved by the legislature, this Act shall become
13 effective on the day following such approval.

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

DIGEST

Proposed law requires that every insurer who delivers or issues for delivery in any part of this state an insurance policy covering property damage also to offer such coverage throughout the entire state.

Requires that if the policy includes a special deductible for damage caused by flooding or wind attributed to a disaster, as defined in the La. Homeland Security and Emergency Assistance and Disaster Act, or for flood or wind damage which occurs within a specified time after a hurricane or tropical storm makes landfall, then the deductible will not apply unless the property on which the claim is filed is located in an area designated by the president of the United States as a disaster area pursuant to Chapter 68 of Title 42 USC and the insured is eligible for financial assistance, under the individuals and households program of the Federal Emergency Management Agency, in repairing the damaged property. Applies retroactively to August 1, 2005.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Adds R.S. 22:667.1)