

SENATE BILL NO. 48

BY SENATOR MURRAY

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AN ACT

To enact R.S. 22:696 and 1471.1, relative to insurance coverage for property damage due to flooding; to require that itemized coverage limits be disclosed to the insured; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 22:696 and 1471.1 are hereby enacted to read as follows:

§696. Delivery of fire insurance contract providing coverage for damage to property; disclosure of coverage; coverage for damages due to flood

In addition to any other requirement contained in law, the following provisions shall govern the issuance of fire insurance policies issued or delivered in this state which provide coverage for damage to property in this state:

(1) No fire insurance policy which provides coverage for damage to property shall be delivered or issued for delivery in this state with respect to any residence or commercial property unless the insurer advises the insured in writing, prominently displayed on a form developed and promulgated by the commissioner of insurance, as an insert in the front of the policy as to which coverages are included in the policy for which the insured has paid premiums. The insurer shall disclose whether or not the insured has coverage for flooding or mold and whether an increased deductible is required for hurricane damage. The typed print of the disclosure shall be in bold and not less than a 14 point font. The disclosure shall also state that flood insurance is available though the National Flood Insurance Program and that excess flood insurance may be

1 available by a separate policy.

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3 §1471.1. Homeowner's insurance; claims payments and settlements

4 No payment of a claim on a homeowner's insurance policy shall be
5 considered a final settlement if the insurer fails to provide the insured with a
6 statement that accurately reflects the amount paid under each category of
7 coverage under the policy. The statement shall list each provision of coverage
8 in the policy under which the insured may be entitled to payment, the maximum
9 amount that may be paid under each category of coverage, and the amount
10 actually included for payment under each category of coverage. The statement
11 shall be given to the insured prior to the execution of a release by the insured.

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

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____