

2018 Regular Session

HOUSE BILL NO. 169

BY REPRESENTATIVE TALBOT

INSURANCE: Provides for notice of the cancellation of an insurance policy

1 AN ACT

2 To amend and reenact R.S. 22:1266(D)(1) and (3)(b)(ii), relative to the cancellation of an
3 insurance policy; to authorize notice of cancellation to be sent by first class mail
4 using a tracking method; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 22:1266(D)(1) and (3)(b)(ii) are hereby amended and reenacted to
7 read as follows:

8 §1266. Automobile, property, casualty, and liability insurance policies;
9 cancellations

10 * * *

11 D.(1) No notice of cancellation of a policy to which Subsection B or C of
12 this Section applies shall be effective unless mailed by certified mail or first class
13 mail using an Intelligent Mail barcode or other similar tracking method used or
14 approved by the United States Postal Service or delivered by the insurer to the named
15 insured at least thirty days prior to the effective date of cancellation; however, when
16 cancellation is for nonpayment of premium at least ten days notice of cancellation
17 accompanied by the reason shall be given. In the event of nonpayment of premiums
18 for a binder, a ten-day notice of cancellation shall be required before the cancellation
19 shall be effective. Notice of cancellation for nonpayment of premiums shall not be
20 required to be sent by certified mail or first class mail using an Intelligent Mail

Present law prohibits a notice of cancellation, based upon any reason other than for nonpayment of premium, of an automobile liability, physical damage, or collision policy from taking effect unless mailed by certified mail or delivered by the insurer to the named insured at least 30 days prior to the effective date of cancellation.

Proposed law retains present law and further authorizes the notice of cancellation to be sent by first class mail using an Intelligent Mail barcode or other similar tracking method used or approved by the U. S. Postal Service.

Present law requires an insurer, who receives notice that the payment for the premium of an automobile, property, casualty, or liability policy was denied by the financial institution upon which it was drawn, to immediately, and in no case later than 10 days after the producer or premium finance company has notified the insurer of the failed payment, notify the named insured that the policy is canceled from the date the premium payment was due by certified mail or delivering to the named insured a written notice.

Proposed law retains present law and further authorizes the notice of cancellation to be sent by first class mail using an Intelligent Mail barcode or other similar tracking method used or approved by the U. S. Postal Service.

(Amends R.S. 22:1266(D)(1) and (3)(b)(ii))