

**ACT No. 695**

2018 Regular Session

HOUSE BILL NO. 756

BY REPRESENTATIVE DWIGHT

1 AN ACT

2 To amend and reenact R.S. 22:2062(A)(1) and (2), relative to claims paid by the Louisiana  
3 Insurance Guaranty Association; to provide relative to exhaustion of other coverage;  
4 and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 22:2062(A)(1) and (2) are hereby amended and reenacted to read as  
7 follows:

8 §2062. Exhaustion of other coverage

9 A.(1) Any person having a claim against an insurer shall be required first to  
10 exhaust all coverage provided by any other policy ~~other than his own uninsured or~~  
11 ~~underinsured motorist policy~~, including the right to a defense under the other policy,  
12 if the claim under the other policy arises from the same facts, injury<sub>2</sub> or loss that gave  
13 rise to the covered claim against the association. The requirement to exhaust shall  
14 apply without regard to whether or not the other insurance policy is a policy written  
15 by a member insurer. However, no person shall be required to exhaust any right  
16 under the policy of an insolvent insurer or any right under a life insurance policy or  
17 annuity.

18 (2) Any amount payable on a covered claim under this Part shall be reduced  
19 by the full applicable limits stated in the other insurance policy, or by the amount of  
20 the recovery under the other insurance policy as provided herein. The association  
21 and the insured shall receive a full credit for the stated limits, unless the claimant  
22 demonstrates that the claimant used reasonable efforts to exhaust all coverage and  
23 limits applicable under the other insurance policy. If the claimant demonstrates that  
24 the claimant used reasonable efforts to exhaust all coverage and limits applicable

1 under the other insurance policy, or if there are no applicable stated limits under the  
2 policy, the association and the insured shall receive a full credit for the total  
3 recovery.

4 (a) The credit shall be deducted from the lesser of the following:

5 (i) The association's covered claim limit.

6 (ii) The amount of the judgment or settlement of the claim.

7 ~~(iii) The policy limits of the policy of the insolvent insurer.~~

8 (b) In no case, however, shall the obligation of the association exceed the  
9 covered claim limit of this Part.

10 (c) The provisions of this Paragraph shall not apply to uninsured or  
11 underinsured motorist policies.

12 \* \* \*

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

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE

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GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_