

2020 Regular Session

SENATE BILL NO. 90

BY SENATOR FESI

INSURANCE POLICIES. Provides relative to written notice before the lapse of a life insurance policy. (gov sig)

1 AN ACT
2 To amend and reenact R.S. 22:905(A) and (D), relative to written notice required before
3 lapsing life policies; to provide for applicability; and to provide for related matters.
4 Be it enacted by the Legislature of Louisiana:
5 Section 1. R.S. 22:905(A) and (D) are hereby amended and reenacted to read as
6 follows:
7 §905. Written notice required before lapsing life policies
8 A. No life insurer shall within one year after default in payment of any
9 premium, installment, loan, or interest, declare forfeited or lapsed any policy issued
10 or renewed, ~~and not issued upon the payment of monthly or weekly premiums or for~~
11 ~~a term of one year or less~~, for nonpayment when due of any premium, installment,
12 loan, or interest, or any portion thereof required by the terms of the policy to be paid,
13 unless a written or printed notice shall have been duly addressed and mailed to the
14 owner of the policy and the assignee of the policy if notice of the assignment has
15 been given to the insurer, at the last known post office address of such insured and
16 assignee, postage prepaid by the insurer or any person appointed by it to collect such
17 payment, at least fifteen and not more than forty-five days prior to the date when the

1 same is payable. Such notice shall state both of the following:

2 * * *

3 D. This Section shall not apply to group life insurance policies **or to any**
4 **policy issued upon the payment of monthly or weekly premiums or for a term**
5 **of one year or less.**

6 Section 2. This Act shall become effective upon signature by the governor or, if not
7 signed by the governor, upon expiration of the time for bills to become law without signature
8 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
9 vetoed by the governor and subsequently approved by the legislature, this Act shall become
10 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 Cheryl B. Cooper.

SB 90 Original DIGEST 2020 Regular Session Fesi

Present law provides that no life insurer shall within one year after default in payment of any premium, installment, loan, or interest, declare forfeited or lapsed any policy issued or renewed, and not issued upon the payment of monthly or weekly premiums or for a term of one year or less, unless a written or printed notice shall have been duly addressed and mailed to the owner of the policy.

Proposed law removes the provision that the policy is not issued upon the payment of monthly or weekly premiums or for a term of one year or less.

Present law provides for requirements of the written notice to the insured.

Proposed law retains present law.

Present law excludes application of present law to group life insurance policies.

Proposed law retains present law and also excludes any policy issued upon the payment of monthly or weekly premiums or for a term of one year or less.

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

(Amends R.S. 22:905(A) and (D))