

2020 First Extraordinary Session

SENATE CONCURRENT RESOLUTION NO. 15

BY SENATOR ROBERT MILLS

LIABILITY INSURANCE. Suspends certain provisions of law relative to direct actions against insurers. (Item #40)

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A CONCURRENT RESOLUTION

To suspend until sixty days after final adjournment of the 2021 Regular Session of the Legislature of Louisiana R.S. 22:333(E) and 1269(B) relative to the right of direct action against an insurer in certain circumstances.

WHEREAS, Article III, Section 20 of the Constitution of Louisiana provides that only the legislature may suspend a law; and

WHEREAS, R.S. 22:333(E) provides that in procuring a certificate of authority required to transact business in Louisiana, a foreign or alien insurer consents to being sued in a direct action as provided in R.S. 22:1269; and

WHEREAS, R.S. 22:1269(B) provides that a suit may be brought directly against the insurer alone in the following circumstances: the insured is bankrupt; the insured is insolvent; service of citation or other process cannot be made on the insured; the cause of action is for damages as a result of an offense or quasi-offense between children and their parents or between married persons; the insurer is an uninsured motorist carrier; or the insured is deceased; and

WHEREAS, substantial revisions to R.S. 22:333(E) and 1269(B) are required in order to achieve the goals of the Legislature of Louisiana concerning tort reform and lowering of motor vehicle insurance premiums; and

1           WHEREAS, the purpose of this Resolution is to allow the Legislature of Louisiana  
2 additional opportunity to make necessary revisions to the provisions of R.S. 22:333(E) and  
3 1269(B).

4           THEREFORE, BE IT RESOLVED that the Legislature of Louisiana hereby suspends  
5 the provisions of R.S. 22:333(E) and 1269(B).

6           BE IT FURTHER RESOLVED that this suspension shall become effective upon  
7 adoption of this Resolution and shall extend through the sixtieth day after final adjournment  
8 of the 2021 Regular Session of the Legislature of Louisiana.

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The original instrument and the following digest, which constitutes no part  
of the legislative instrument, were prepared by Carla S. Roberts.

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#### DIGEST

SCR 15 Original

2020 First Extraordinary Session

Robert Mills

Effective through the 60th day after final adjournment of the 2021 Regular Session, suspends R.S. 22:333(E) and 1269(B) which provide relative to liability policies and direct actions against insurers.

Present law (R.S. 22:333(E)) provides that, in order to transact business in La., a foreign or alien insurer must obtain a certificate of authority, which requires the insurer to consent to being sued by an injured person or their heirs through direct action for injuries occurring in La., regardless of whether or not the policy itself forbids direct action.

Present law (R.S. 22:1269(B)) provides that an injured third party has the right to take direct legal action against the insurer if that right is provided for within the terms and limits of the policy. Provides for action against the insurer alone if at least one of the following applies:

- (1) The insured has been adjudged bankrupt by a court of competent jurisdiction or proceedings to adjudge an insured bankrupt have been commenced before a court of competent jurisdiction.
- (2) The insured is insolvent.
- (3) Service of citation or other process cannot be made on the insured.
- (4) The cause of action is for damages resulting from an offense or quasi-offense between children and parents or between married persons.
- (5) The insurer is an uninsured motorist carrier.
- (6) The insured is deceased.

(Suspends R.S. 22:333(E) and 1269(B))