
DIGEST

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HCR 19 Original

2020 First Extraordinary Session

Seabaugh

Suspends R.S. 22:333(E) and 1269(B) which provide relative to liability policies and direct actions against an insurer.

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 direct 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))