

RÉSUMÉ DIGEST

ACT 185 (HB 296)

2020 Regular Session

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Prior law allowed the cancellation by the insured of any policy which may have been cancelled at the insured's option, or of any binder based on the policy, to be effected if both of the following were done prior to or on the effective date of the cancellation:

- (1) Written notice given to the insurer.
- (2) Surrender of the policy or binder for cancellation.

New law requires the cancellation by the insured to only be effected by written notice and removes the deadline for providing the notice and the requirement to surrender the policy or binder.

Prior law authorized the insurer, in the event the policy or binder had been lost or destroyed and could not be surrendered, to accept and in good faith rely upon the insured's written statement setting forth the fact of the loss or destruction.

New law repeals prior law.

New law provides that nothing in existing law or new law shall be construed to require an insurer to cancel a policy before the date the insurer receives the written notice as required by new law.

Prior law provided that the surrender of a policy to the insurer for any cause by any person named in the policy as having an interest insured under the policy created a presumption that the surrender was agreed to by all persons covered by the policy.

New law provides that the written notice of cancellation of a policy to the insurer for any cause by any person named in the policy as having an interest insured under the policy creates a presumption that the cancellation is agreed to by all persons covered by the policy.

New law defines "written" as the insured's intentional recording of words in a visual form, whether in the form of handwriting, printing, typewriting, electronic communication, or any other tangible form.

Effective Jan. 1, 2021.

(Amends R.S. 22:885(A) and (C); Adds R.S. 22:885(F))