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## DIGEST

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HB 469 Engrossed

2021 Regular Session

Larvadain

**Abstract:** Provides for homeowner's insurance claims settlement practices.

Present law provides that failure to make payment on a claim within the time frame provided in present law shall subject the insurer to a penalty, in addition to the amount of the loss, of 50% damages on the amount found to be due from the insurer to the insured, or \$1,000 payable to the insured.

Proposed law retains present law but changes the penalty from 50% damages on the amount found to be due from the insurer to the insured, or \$1,000 payable to the insured to an amount not to exceed twice the damages sustained or \$5,000, whichever is greater.

Present law provides that in the event a partial payment or tender has been made, the insurer shall be subject to a penalty of 50% of the difference between the amount paid or tendered and the amount found to be due as well as reasonable attorney fees and costs.

Proposed law retains present law but changes the penalty from 50% of the difference between the amount paid or tendered and the amount found to be due as well as reasonable attorney fees and costs to twice the amount found to be due as well as reasonable attorney fees and costs.

(Amends R.S. 22:1892(B)(1))

### Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Insurance to the original bill:

1. Restore present law concerning insurers making payment on claims within 30 days after the receipt of satisfactory proofs of loss from the insured or any party in interest.
2. Restore present law concerning insurer's good faith duty in claims settlement practices and the penalties for acting in bad faith.
3. Make technical changes.