

2022 Regular Session

SENATE BILL NO. 163

BY SENATOR TALBOT

INSURANCE CLAIMS. Provides for catastrophe claims process disclosure. (1/1/23)

1 AN ACT

2 To enact R.S. 22:1897, relative to the insurance claims process; to provide a policyholder  
3 a catastrophe claim process disclosure form; to provide for rules and regulations; and  
4 to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 22:1897 is hereby enacted to read as follows:

7 **§1897. Catastrophe claim process disclosure form; rules and regulations**

8 **A. The commissioner of insurance shall promulgate all rules and**  
9 **regulations concerning a catastrophe claims process disclosure form that shall**  
10 **include but not be limited to the following:**

11 **(1) An explanation on how the claim process works, subject to the terms**  
12 **and conditions of the insurance policy.**

13 **(2) An explanation on how the supplemental claim process works, subject**  
14 **to the terms and conditions of the insurance policy.**

15 **(3) An explanation on how to calculate the percentage of the insured**  
16 **value of the property for a hurricane, named storm, wind, and hail deductibles.**

17 **(4) An explanation on the difference between the actual cash valuation**

1 and the replacement cost valuation.

2 (5) The rights and protections a policyholder has under state law.

3 (6) An explanation on the duties a policyholder has in order to settle an  
4 insurance claim.

5 (7) An explanation of what a policyholder needs to properly document  
6 an insurance claim.

7 (8) An explanation of the procedure a policyholder must follow to file a  
8 complaint with the department if the policyholder is not satisfied with either the  
9 claim process or the claim settlement.

10 B.(1) If the governor declares a state of emergency pursuant to R.S.  
11 29:724, an insurer settling a property insurance claim that arises out of a state  
12 of emergency shall send to a policyholder filing a property insurance claim, the  
13 catastrophe claim process disclosure form promulgated by the commissioner.

14 (2) The insurer shall send the catastrophe claim process disclosure form  
15 to the policyholder no later than the initial investigation of the claim by an  
16 adjuster. The disclosure form may be sent by United States mail, electronic  
17 delivery, or hand delivery.

18 C. Nothing in this Section shall be construed to provide any policyholder  
19 with a civil cause of action.

20 Section 2. This Act shall become effective on January 1, 2023.

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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Beth O'Quin.

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DIGEST

SB 163 Original

2022 Regular Session

Talbot

Proposed law requires the commissioner to promulgate certain rules and regulations relative to a catastrophe claim process disclosure form that includes but is not limited to the following:

- (1) Explains how the claim process works, subject to the terms and conditions of the insurance policy.
- (2) Explains how the supplemental claim process works, subject to the terms and conditions of the insurance policy.
- (3) Explains how to calculate the percentage of the insured value of the property for a

- hurricane, named storm, wind, and hail deductibles.
- (4) Explains the differences between the actual cash valuation and the replacement cost valuation.
  - (5) The rights and protections a policyholder has under state law.
  - (6) Explains the duties a policyholder has in order to settle an insurance claim.
  - (7) Explains the procedure for a policyholder to properly document an insurance claim.
  - (8) Explains how a policyholder can file a complaint with the department if the policyholder is not satisfied with either the claim process or the claim settlement.

Proposed law provides that if the governor declares a state of emergency, requires insurers settling a property insurance claim that arises out of a state of emergency to send the policyholder who files a property insurance claim, the catastrophe claim process disclosure form.

Proposed law requires an insurer send the disclosure form to the policyholder no later than the initial investigation of the claim by an adjuster, and the disclosure form can be sent by US mail, electronic delivery, or hand delivery.

Proposed law provides that nothing in this law can be construed to provide any policyholder with a civil cause of action.

Effective on January 1, 2023.

(Add R.S. 22:1897)