

2022 Regular Session

SENATE BILL NO. 232

BY SENATOR STINE

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

1 AN ACT

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

6 Be it enacted by the Legislature of Louisiana:

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

8 **§1897. Catastrophe claim process disclosure form; rules and regulations**

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

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

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

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

1                   **(4) An explanation on the difference between the actual cash valuation**  
2                   **and the replacement cost valuation.**

3                   **(5) The rights and protections of a policyholder.**

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

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

8                   **(8) An explanation as to the reason for changing adjusters.**

9                   **(9) An explanation of the procedure a policyholder shall follow to file a**  
10                  **complaint with the department if the policyholder is not satisfied with either the**  
11                  **claims process or the claim settlement.**

12                  **B. If the governor declares a state of emergency pursuant to R.S. 29:724,**  
13                  **an insurer settling a property insurance claim that arises out of the state of**  
14                  **emergency shall send to a policyholder filing a property insurance claim, the**  
15                  **catastrophe claim process disclosure form to the policyholder no later than the**  
16                  **initial investigation of the claim by an adjuster. The disclosure form may be sent**  
17                  **by United States mail, electronic 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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SB 232 Original

DIGEST  
2022 Regular Session

Stine

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 of a policyholder.
  - (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 reasons for changing adjusters.
  - (9) 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 January 1, 2023.

(Adds R.S. 22:1897)