
DIGEST

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HB 83 Engrossed

2022 Regular Session

Schlegel

Abstract: Provides relative to homeowner's insurance policies that require a civil authority to prohibit use of the dwelling in order to afford loss of use coverage.

Proposed law provides that any insurer issuing homeowner's insurance policies that require a civil authority to prohibit use of the dwelling in order to afford loss of use coverage, relative to a loss of use after a disaster has occurred, shall consider that requirement satisfied if a state of emergency is declared and either of the following occurs:

- (1) A mandatory evacuation order is issued by a civil authority for the area in which the dwelling is located and that area is subsequently declared to be unsafe as a result of a peril covered by the policy.
- (2) A voluntary evacuation order is issued by a civil authority for the area in which the dwelling is located and that area is subsequently declared to be unsafe as a result of a peril covered by the policy.

Proposed law provides that for the purposes of proposed law, insurers shall interpret, in globo, all actions of a civil authority, including but not limited to public media announcements without regard as to whether a formal evacuation order was issued in writing.

(Adds R.S. 22:1338)

Summary of Amendments Adopted by House

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

1. Specify that the provisions of proposed law will apply to a loss of use after a disaster has occurred.
2. Provide that a state of emergency must be declared by a civil authority for the provisions of proposed law to apply.
3. Provide that in addition to the mandatory evacuation order requirement, the area must also subsequently be declared to be unsafe as a result of a peril covered by the policy for the provisions of proposed law to apply.

4. Remove the requirement that a declaration must be made through a formal order or announcements in public media stating that the area in which the dwelling is located is unsafe as a result of a peril covered by the policy for the provisions of proposed law to apply.
5. Add a requirement that a voluntary evacuation order must be issued by a civil authority for the area in which the dwelling is located and that area must subsequently be declared to be unsafe as a result of a peril covered by the policy for the provisions of proposed law to apply.
6. Provide that for the purposes of proposed law the insurer shall interpret all actions of a civil authority, including but not limited to public media announcements without regard as to whether a formal evacuation order was issued in writing.
7. Make technical changes.