

2022 Regular Session

HOUSE BILL NO. 83

BY REPRESENTATIVES SCHLEGEL, BOYD, BRASS, BRYANT, WILFORD CARTER, DUPLESSIS, EDMONSTON, FISHER, LARVADAIN, MARCELLE, MARINO, STAGNI, VILLIO, AND WILLARD

INSURANCE/HOMEOWNERS: Provides relative to homeowner's insurance policies that require a civil authority to prohibit use of the dwelling in order to pay loss of use benefits

1 AN ACT

2 To enact R.S. 22:1338, relative to homeowner's insurance policies; to provide certain means
3 by which a policy requirement for loss of use benefits is satisfied; and to provide for
4 related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 22:1338 is hereby enacted to read as follows:

7 §1338. Homeowner's insurance policies; loss of use pursuant to civil authority
8 action

9 A. Any insurer issuing homeowner's insurance policies that require a civil
10 authority to prohibit use of the dwelling in order to afford loss of use coverage,
11 relative to a loss of use after a disaster, as defined in R.S. 29:723(4), has occurred,
12 shall consider that requirement satisfied if a state of emergency is declared by a civil
13 authority and either of the following occurs:

14 (1) A mandatory evacuation order is issued by a civil authority for the area
15 in which the dwelling is located as a result of a peril covered by the policy.

16 (2) A voluntary evacuation order is issued by a civil authority for the area
17 in which the dwelling is located as a result of a peril covered by the policy and the

1 order is followed by a disaster declaration that includes the area in which the
 2 dwelling is located.

3 B. For the purposes of this Section, insurers shall interpret the totality of
 4 actions of a civil authority, including but not limited to public media announcements
 5 without regard as to whether a formal evacuation order was issued in writing.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 83 Reengrossed

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, as defined in present law (R.S. 29:723(4)), 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 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 as a result of a peril covered by the policy and the order is followed by a disaster declaration that includes the area in which the dwelling is located.

Proposed law provides that for the purposes of proposed law, insurers shall interpret the totality of 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.

The House Floor Amendments to the engrossed bill:

1. Specify that for the provisions of proposed law to apply a disaster, as defined in present law (R.S. 29:723(4)), must occur.
2. Remove the requirement in proposed law that the area in which the dwelling is located must be declared to be unsafe as a result of a peril covered by the policy for the provisions of proposed law to apply.
3. Specify in the mandatory and voluntary evacuation order requirements that the order must be declared as a result of a peril covered by the policy for the provisions of proposed law to apply.
4. Add in the voluntary evacuation order requirement that the order must be followed by a disaster declaration that includes the area in which the dwelling is located for the provisions of proposed law to apply.
5. Change the requirement that for the purposes of proposed law, insurers shall interpret, in globo, all actions of a civil authority to a requirement that for the purposes of proposed law, insurers shall interpret the totality of actions of a civil authority.