

SENATE BILL NO. 163

BY SENATORS TALBOT, BERNARD, FESI, JACKSON, ROBERT MILLS, PEACOCK,
SMITH AND STINE

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 shall promulgate all rules and regulations for a**
9 **catastrophe claims process disclosure form that shall include but not be limited**
10 **to the following:**

11 **(1) An explanation of the claims process, and the manner through which**
12 **the insurer should communicate with the insured, subject to the terms and**
13 **conditions of the insurance policy.**

14 **(2) An explanation of the supplemental claims process and the manner**
15 **through which insurer should communicate with the insured, subject to the**
16 **terms and conditions of the insurance policy.**

17 **(3) An explanation of the methodology used to calculate the percentage**
18 **of the insured value of the property applicable to the insured's hurricane,**
19 **named storm, wind, and hail deductibles.**

20 **(4) An explanation of the difference between the actual cash valuation**
21 **and the replacement cost valuation.**

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

1 (6) An explanation of the duties a policyholder has in order to settle an
2 insurance claim.

3 (7) An explanation of the items necessary to properly document an
4 insurance claim.

5 (8) An explanation of the procedure for filing a complaint with the
6 department if the policyholder is not satisfied with either the claim process or
7 the claim settlement.

8 (9) A statement that informs the policyholder that if he files a claim for
9 damage to a property subject to a mortgage, he may be required to notify the
10 lender or mortgage servicer of the claim.

11 (10) A statement that informs the policyholder that if he receives
12 proceeds from an insurance settlement for damage to a property subject to a
13 mortgage, the policyholder may be required to contact the lender or mortgage
14 servicer, as the lender or mortgage servicer may be a named payee whose
15 endorsement may be required prior to depositing the insurance proceeds.

16 (11) An explanation of the procedure for filing a complaint with the
17 Office of Financial Institutions if there is any dissatisfaction with how the lender
18 or mortgage servicer handled the disbursement of the insurance proceeds.

19 (12) The process for utilizing the Hurricane Mediation Program if there
20 is a disputed residential property insurance claim for property damage.

21 B.(1) If the governor declares a state of emergency pursuant to R.S.
22 29:724, an insurer settling a property insurance claim that arises out of the state
23 of emergency shall send to a policyholder filing a property insurance claim, the
24 catastrophe claim process disclosure form promulgated by the commissioner
25 pursuant to Subsection A of this Section.

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

30 C. Nothing in this Section shall be construed to provide a policyholder

1 with a civil cause of action.

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

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____