

2023 Regular Session

HOUSE BILL NO. 183

BY REPRESENTATIVE FIRMENT

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

INSURANCE: Prohibits the assignment of certain benefits

1 AN ACT

2 To enact R.S. 22:1274, relative to the assignment of benefits; to prohibit the assignment of
3 certain benefits; to provide for enforceability; to provide for penalties; to provide for
4 exceptions; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 22:1274 is hereby enacted to read as follows:

7 §1274. Assignment of benefits; prohibited

8 A.(1) No person shall solicit or accept an assignment, in whole or in part, of
9 any post-loss insurance benefit under a residential or commercial property insurance
10 policy. An attempt to assign post-loss property insurance benefits under such a
11 policy is against public policy and is null and void.

12 (2) The provisions of Paragraph (1) of this Subsection do not apply to any
13 of the following:

14 (a) An assignment, transfer, or conveyance granted to a subsequent
15 purchaser of the property with an insurable interest in the property following a loss.

16 (b) A mandate, as defined in Civil Code Article 2989, that grants to a
17 management company, family member, guardian, or similarly situated person of an
18 insured the authority to act on behalf of an insured as it relates to a property
19 insurance claim.

- 1 (c) Liability coverage under a residential or commercial property insurance
 2 policy.
- 3 B. Violation of Subsection A of this Section is considered an unfair or
 4 deceptive trade practice. Any person found to have violated the provisions of
 5 Subsection A of this Section is subject to the penalties imposed by R.S. 22:1969.
- 6 C. The provisions of Civil Code Article 2653 do not apply to this Section.
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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 183 Original

2023 Regular Session

Firmment

Abstract: Prohibits the assignment of post-loss insurance benefits for any residential or commercial insurance property.

Proposed law provides that no person may solicit, in any part, any post-loss insurance benefit under a residential or commercial property insurance policy.

Proposed law provides that an assignment attempt is against public policy and is null and void.

Proposed law provides for certain exceptions to proposed law.

Proposed law provides that a violation of proposed law is an unfair or deceptive trade practice and sets forth the penalties a violator is subject to.

Proposed law provides that present law (C.C. Art. 2653) relative to the assignability of rights does not apply to proposed law.

(Adds R.S. 22:1274)