

2023 Regular Session

HOUSE BILL NO. 377

BY REPRESENTATIVE MAGEE

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

INSURANCE CLAIMS: Provides for certain property claims settlement practices

1 AN ACT

2 To amend and reenact R.S. 22:1973(B)(5), relative to property claims settlement practices;  
3 to provide a bad faith designation for payments made after a prescribed deadline; and  
4 to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 22:1973(B)(5) is hereby amended and reenacted to read as follows:

7 §1973. Good faith duty; claims settlement practices; cause of action; penalties

8 \* \* \*

9 B. Any one of the following acts, if knowingly committed or performed by  
10 an insurer, constitutes a breach of the insurer's duties imposed in Subsection A of this  
11 Section:

12 \* \* \*

13 (5) Failing to pay the amount of any claim due any person insured by the  
14 contract within sixty days after receipt of satisfactory proof of loss from the claimant  
15 the property is first inspected by the insurer, its representative, or its agent, either in  
16 person or through remote technological means when such failure is arbitrary,  
17 capricious, or without probable cause.

18 \* \* \*

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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)]

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HB 377 Original

2023 Regular Session

Magee

**Abstract:** Provides for certain claim settlement practices with respect to property claims.

Present law provides that failing to pay the amount of any property claim due any person within 60 days after receipt of satisfactory proof of loss from the claimant when such failure is arbitrary, capricious, or without probable cause shall be considered a breach of the insurer's duty to act in good faith.

Proposed law changes the time frame within which insurers shall pay the amount of any claim due any person without being considered to have acted in bad faith from 60 days after receipt of satisfactory proof of loss from the claimant when such failure is arbitrary, capricious, or without probable cause to 60 days after the property is first inspected by the insurer, its representative, or its agent, either in person or through remote technological means when such failure is arbitrary, capricious, or without probable cause.

(Amends R.S. 22:1973(B)(5))