

2023 Regular Session

SENATE BILL NO. 190

BY SENATOR SMITH

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

CONTRACTORS. Provides relative to certain payments for home improvement contracting services. (8/1/23)

1 AN ACT

2 To amend and reenact R.S. 37:2159.1(7)(a), relative to home improvement contracting; to  
3 prohibit contractors from engaging in certain acts related to an insured's property  
4 insurance claim; to provide relative to the assignment of any rights, benefits,  
5 proceeds, or causes of action of an insured; to provide for terms, requirements, and  
6 conditions; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 37:2159.1(7)(a) is hereby amended and reenacted to read as follows:

9 §2159.1. Home improvement contracting; prohibited acts; property insurance

10 The following acts are prohibited by persons or companies performing home  
11 improvement contracting services:

12 \* \* \*

13 (7)(a) Accepting an assignment of any rights, benefits, proceeds, or causes  
14 of action of an insured under a property insurance policy prior to completing the  
15 work described in the home improvement contract and the property insurer  
16 conducting its initial examination of the damage caused by the covered peril. The  
17 assignment of any rights, benefits, proceeds, or causes of action shall be limited to

1 the scope of work and fees provided in the home improvement contract, which shall  
 2 comply with the provisions of R.S. 37:2159.1. **Prior to any payment to a person**  
 3 **or company performing home improvement contracting services by the**  
 4 **property insurer pursuant to an assignment of any rights, benefits, proceeds, or**  
 5 **causes of action, the insured shall approve of the payment in writing.**

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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Xavier I. Alexander.

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DIGEST

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Present law provides that a home improvement contractor is prohibited from accepting any assignment of any rights, benefits, proceeds, or causes of action of an insured under a property insurance policy prior to completing the work. Present law further provides that the assignment of any right, benefits, proceeds, or causes of action shall be limited to the scope of work and fees provided in the contract.

Proposed law retains present law and further provides that the insured shall approve of the payments in writing that are made by the property insurer to the home improvement contractor pursuant to an assignment of any rights, benefits, proceeds, or causes of action.

Effective August 1, 2023.

(Amends R.S. 37:2159.1(7)(a))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Commerce, Consumer Protection, and International Affairs to the original bill

1. Make technical changes.

Senate Floor Amendments to engrossed bill

1. Make technical changes.