

2024 Regular Session

SENATE BILL NO. 345

BY SENATOR BARROW

INSURANCE DEPARTMENT. Provides for an extension for premiums due for homeowners' policies. (8/1/25)

1 AN ACT

2 To enact R.S. 22:1335(C) through (H), relative to cancellation of homeowner's policies; to  
3 provide a surviving spouse a grace period to pay the premiums for a homeowner's  
4 policy; to provide for grace period requirements; to provide for rules; to provide an  
5 effective date; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 22:1335(C) through (H) are hereby enacted to read as follows:

8 §1335. Homeowner's insurance; cancellation, nonrenewal; **limited grace period for**  
9 **surviving spouse**

10 \* \* \*

11 **C. An insurer providing property, casualty, or liability insurance that**  
12 **provides homeowners' insurance shall provide up to a maximum of a sixty day**  
13 **grace period for the payment of a semi-annual or annual insurance premium**  
14 **for homeowners' insurance upon the insurer's receipt of a request from a**  
15 **surviving spouse that is in accordance with this Section. When the grace period**  
16 **is implemented, all time delays for cancellation or nonrenewal set forth in**  
17 **Subsection A of this Section shall be extended by the length of the grace period**

1 as required in Subsection D of this Section.

2 D. To receive a grace period extension, an insured shall provide written  
3 notice to his insurer that includes both of the following:

4 (1) A copy of the death certificate for the deceased spouse that includes  
5 his date of death and the date of his death is within sixty days following the  
6 original insurance premium due date.

7 (2) A specification of the requested length of days for the grace period  
8 that shall not exceed sixty days following the original due date for a semi-annual  
9 or annual insurance premium payment.

10 E. Upon conclusion of the grace period elected in Paragraph (D)(2) of  
11 this Section, all sums originally due shall become due and payable.

12 F. This grace period shall only apply to insurance payments made  
13 directly by the insured to his insurer and shall exclude payments made to any  
14 lending institution or financial intermediary that includes insurance premium  
15 payments as part of an escrow arrangement.

16 G. The grace period payment shall not create a private right of action by  
17 the insured except the commissioner may consider the failure of the insurer to  
18 grant a properly documented timely request pursuant to Subsection D of this  
19 Section as a violation of R.S. 22:1964.

20 H. The commissioner may promulgate and adopt rules in accordance  
21 with the Administrative Procedure Act.

22 Section 2. This Act shall become effective on January 1, 2025.

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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Beth O'Quin.

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## DIGEST

SB 345 Reengrossed

2024 Regular Session

Barrow

Present law requires an insurer of a homeowners' insurance policy provide a written notice of cancellation or nonrenewal that is mailed or delivered to its named insured 30 days before the expiration date of the named insured's homeowners' policy.

Proposed law retains present law but provides a grace period of up to 60 days for a surviving spouse to pay the semi-annual or annual premium payment due if the surviving spouse complies with both of the following:

- (1) Provides a copy of the deceased death certificate that includes the date he died and the date of his death is within 60 days following the original insurance premium due date.
- (2) Specifies the length of days for the grace period that is not longer than 60 days following the original due date for a semi-annual or annual insurance premium payment.

Proposed law provides at the end of the grace period all sums originally owed becomes due and payable.

Proposed law provides the grace period does not apply when premiums are paid through an escrow arrangement with a lending institution or financial intermediary.

Proposed law provides this grace period does not create a private right of action by the insured except the commissioner is authorized to consider the failure of the insurer to grant a properly documented timely request as a violation of present law.

Proposed law authorizes the commissioner to promulgate and adopt rules in accordance with the Administrative Procedure Act.

Effective January 1, 2025.

(Adds R.S. 22:1335(C)-(H))

Summary of Amendments Adopted by Senate

Senate Floor Amendments to engrossed bill

1. Makes technical changes.
2. Provides a surviving spouse an extended grace period to pay his insurance premium due.
3. Provides the requirements for the grace period.
4. Provides payment is due at the end of the extended grace period.
5. Provides there is no right of action for the insured against the insurer for failure to grant the grace period but authorizes the commissioner to investigate whether the insurer's action was a violation of present law.
6. Provides an effective date.