RÉSUMÉ DIGEST

ACT 932 (HB 1162) **2026 Regular Session** **Glorioso**

Existing law (R.S. 22:1892) mandates that insurers disburse claims within 30 days following the receipt of satisfactory proof of loss and imposes an obligation of good faith and fair dealing in the adjustment and payment of claims.

New law (R.S. 22:1892(A)(1)) retains the provisions of existing law and further mandates that insurers or their adjusters shall verify a contractor's license status through the Louisiana State Licensing Board for Contractors when a contractor is designated as a payee on a payment for the repair or restoration of immovable property, prior to the issuance of payment.

New law stipulates that payment of claims shall be executed in accordance with existing law, contingent upon the receipt of satisfactory proof of loss and the completion of the requisite contractor license verification, if applicable.

New law (R.S. 22:1892(L)) establishes that an insurer not be deemed to have acted in bad faith nor be subject to penalties or attorney fees for delays in payment when such delay is directly and reasonably attributable to the insurer's inability to verify a contractor's license, provided that the insurer documents the verification attempt and furnishes written notice to the insured within five business days.

New law (R.S. 22:1892(I)(2)(a)) delineates that a misrepresentation of pertinent facts or insurance policy provisions pertaining to coverage constitutes a breach of the insurer's duty of good faith.

New law (R.S. 22:1892(I)(3)) specifies that the duty of good faith provisions shall not create a cause of action against an insurer in claims for personal injury or bodily injury in instances where there exists a good faith dispute regarding liability, a good faith dispute regarding medical causation, or when no settlement offer has been proposed within policy limits and the insurer has not been afforded at least 30 days to respond.

New law (R.S. 22:1892(I)(4)) further provides that no separate cause of action exists against an insurer's representative distinct from the cause of action against the insurer.

New law harmonizes payment provisions with existing statutory timelines, thereby restoring the 30-day payment requirement and incorporating provisions concerning breaches of good faith duties and limitations on causes of action.

Effective August 1, 2026.

(Amends R.S. 22:1892(A)(1) and (I)(2)(a) and (3); Adds R.S. 22:1892(I)(4) and (L))