
The legislative instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Cheryl Horne.

CONFERENCE COMMITTEE REPORT DIGEST

Senate Bill No. 135 by Senator Long

Keyword and summary of the bill as proposed by the Conference Committee

PROPERTY INSURANCE. Provides for home service contracts.

Report adopts House amendments to:

1. To add provisions requiring a provider to submit a report to the commissioner by March 1, 2016 documenting certain activities for calendar year 2015.

Report amends the bill to:

1. Make technical changes.

Digest of the bill as proposed by the Conference Committee

Long (SB 135)

Present law provides that a home service contract shall not be issued, sold, or offered for sale unless the provider gives a receipt for or other written evidence of the purchase of a home service contract and a copy of the home service contract within a reasonable period of time from date of purchase.

Proposed law retains present law and adds the requirement for an annual financial statement, submitted to the commissioner, showing the solvency of the provider.

Proposed law requires the home service contract provider to provide the commissioner of insurance, by March 1, 2016, a report documenting for calendar year 2015 the number of home service contracts issued or sold with respect to residential property; the gross consideration received; the number and dollar amount of claims paid, categorically by the cost of repair or by the cost of replacement; and the number of claims denied for failure of the service contract holder to receive prior approval for the repair or replacement

Effective August 1, 2014.

(Amends R.S. 22:1806.3(A)(3); adds R.S. 22:1806.3(A)(4) and (5))