

2017 Regular Session

HOUSE BILL NO. 393

BY REPRESENTATIVES CONNICK, MARCELLE, ARMES, BERTHELOT, BILLIOT, BOUIE, CARPENTER, STEVE CARTER, FOIL, LANCE HARRIS, HAVARD, HOFFMANN, IVEY, JORDAN, LYONS, MARINO, JAY MORRIS, POPE, PYLANT, RICHARD, SCHEXNAYDER, SCHRODER, STAGNI, THOMAS, AND ZERINGUE

1 AN ACT

2 To amend and reenact R.S. 22:1331, relative to residential property insurance policies; to
3 provide certain policyholders the option to exclude personal property coverage after
4 a declared disaster; to provide for a reduction in premium; to provide for the
5 withdrawal of the exclusion and the reduction in premium; and to provide for related
6 matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 22:1331 is hereby amended and reenacted to read as follows:

9 §1331. Personal property coverage; option to exclude

10 A. ~~In the gubernatorially declared disaster areas for Hurricanes Katrina and~~
11 ~~Rita, any insurance company that issues a homeowner's policy as is defined in R.S.~~
12 ~~22:47(15) and which includes personal property coverage in the coastal parishes of~~
13 ~~Louisiana, except for rental insurance, shall make available, during the term of the~~
14 ~~policy, upon written request of the policyholder one of the following options: (1)~~
15 Upon a disaster being declared by the governor or the president of the United States
16 or any officer acting under presidential authority, any insurance company that issues
17 a homeowner's insurance policy, as defined in R.S.22:47(15), that includes personal
18 property coverage in the affected area, shall make available during the term of the
19 policy, upon written request of a policyholder, one of the following options:

20 (†) (a) a residential property policy that provides dwelling coverage
21 without personal property coverage.

1 ~~or (2) (b) an~~ An exclusion of personal property coverage.

2 (2) that Upon the exercise of either option by the policyholder, the insurer
3 shall ~~be accompanied by~~ calculate an appropriate reduction in premium that shall be
4 returned to the policyholder.

5 (3) The option provided in Paragraph (1) of this Subsection shall not be
6 available to the policyholder after the passage of twenty-four months from the date
7 the disaster declaration is made.

8 B. Notwithstanding any provision of law to the contrary, ~~such~~ the substitute
9 policy or exclusion of personal property coverage that occurs during the term of the
10 policy shall not be considered a new policy. This Section shall ~~only~~ apply only to
11 homeowners' insurance policies written on structures ~~that have been~~ rendered
12 uninhabitable ~~as determined by Hurricanes Katrina and Rita~~ as determined by the
13 local governing authority or insurer because they ~~have~~ sustained extensive damage
14 to more than fifty percent of the dwelling area. In addition, the insurer may
15 withdraw the exclusion or substitute policy when one of the following has occurred:

16 (1) after~~The~~ the structure has been repaired to the point that it is again
17 habitable.

18 (2) or the~~The~~ homeowners' policy has been terminated.

19 (3) The expiration of twenty-four months from the date of the disaster
20 declaration.

21 Section 2. This Act shall become effective on January 1, 2018.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____