
DIGEST

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HB 411 Reengrossed

2019 Regular Session

Terry Landry

Abstract: Prohibits insurance companies from requiring claimants to use a particular place or shop for motor vehicle service or glass window repair.

Present law prohibits an insurer from requiring the insured to use a particular place or shop as a condition when making a payment incident to a claim.

Proposed law expands present law to prohibit an insurer from requiring that an insured has to use a particular place or shop for repairs.

Proposed law requires that an insurer shall provide notice in any circumstance to the insured that there is no requirement to use a recommended place or shop for motor vehicle service or glass window repair.

Present law provides that if the insurer is found to have violated present law then the insurer shall be fined no more than \$500 for each offense.

Proposed law repeals present law and provides that if the insurer violates present law then the commissioner of insurance shall fine the insurer \$1,000 for the first offense, \$2,500 for a second offense that occurs within a twelve-month period of the first offense, and \$5,000 for a third or subsequent offense that occurs within a twelve-month period of the preceding offense.

(Amends R.S. 22:1892(D))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Insurance to the original bill:

1. Delete proposed law that prohibits insurers from incentivizing or inducing an insured or claimant to use a specific place or shop for repairs.

The House Floor Amendments to the engrossed bill:

1. Make technical changes.