

Prior law required insurers to initiate loss adjustment of a property damage claim and a reasonable claim for medical expenses within 14 days after notification of the loss. New law retains this provision.

Prior law, in cases of a catastrophic loss, required the insurer to initiate loss adjustment of a property damage claim within 30 days after notification. New law retains this provision but further authorizes the commissioner of insurance to promulgate a rule to extend this 30 day period if the damage arises from a presidentially declared emergency or disaster or a gubernatorially declared emergency or disaster. Provides that after the initial extension which occurs under the rule promulgated by the commissioner, thereafter only one additional extension may be allowed and requires that this extension be approved by the Senate and House committees on insurance, voting separately.

New law retains prior law which subjects the insurer to penalties for failure to comply with law.

Effective on August 15, 2009.

(Amends R.S. 22:1892(A)(3))