
DIGEST

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HB 1162 Engrossed

2026 Regular Session

Glorioso

Abstract: Provides that if a contractor is named payee on a check or draft intended for repair or restoration of immovable property, an insurer shall first verify that contractor's license status with the La. State Licensing Bd. for Contractors.

Present law provides that all insurers issuing any type of contract, other than those specified in present law, shall pay the amount of any claim due any insured within thirty days after receipt of satisfactory proofs of loss from the insured or any party in interest.

Proposed law provides that if a contractor is a named payee on a payment intended for the repair or restoration of immovable property, the insurer or its adjuster shall first verify the contractor's license status through the website or portal of the La. State Licensing Bd. for Contractors. The amount of any claim due shall be paid within thirty days after receipt of satisfactory proof of loss and, if applicable, completion of the verification required by this Paragraph.

Proposed law provides that an insurer shall not be deemed to have acted in bad faith and shall not be subject to any penalty for a delay in transmitting this payment to a contractor if that delay is directly and reasonably attributable to the insurers inability to verify that contractor's license through the website or portal of the La. State Licensing Bd. for Contractors, if the insurer documents the attempt to verify the license and provides written notice to the insured within five business days of the failed verification attempt stating the payment is being withheld or delayed in accordance with proposed law.

(Amends R.S. 22:1892(A)(1); Adds R.S. 22:1892(L))