The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by LG Sullivan.

DIGEST

SB 216 Original | 2020 Regular Session | Cathey

Present law restricts who may insure the life or health of an individual to the insured him-or herself, the insured's spouse, and anyone with an insurable interest in the insured's life or body. Provides that "insurable interest" for purposes of present law means either:

(1) A substantial interest engendered by love of and affection for an individual who is a close relative.

(2) A lawful and substantial economic interest in the continued life, health, or safety of the individual.

Proposed law retains present law and clarifies that the restrictions apply to contracts for annuities as well as other types of insurance.

Effective August 1, 2020.

(Amends R.S. 22:856 and 901(A) and (B))