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## DIGEST

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HB 881 Original

2022 Regular Session

Bourriaque

**Abstract:** Provides for liability for the Louisiana Insurance Guaranty Association.

Present law provides that there shall be no liability on the part of and no cause of action arising against any member insurer, the association or its agents or employees, the board of directors, or the commissioner or his representatives for any action taken by them in the performance of their powers and duties.

Proposed law adds an exception to the immunity provided in present law.

Proposed law provides that if the association fails to make payment on a claim or a written offer to settle within 30 days of receiving satisfactory proof of loss and such failure is found to be arbitrary, capricious, or without probable cause, the association shall be subject to certain penalties.

Proposed law provides that the association shall be considered to have received satisfactory proof of loss if any of the following occur:

- (1) The association is in receipt of records of satisfactory proof of loss from a member insurer or its receiver.
- (2) The association is in receipt of satisfactory proof of loss from an insured or any party having an interest in a claim.
- (3) The association is in receipt of written notice of a failure to pay a settlement reached with a member insurer, prior to entry of an order of receivership

Proposed law provides that the stay of proceedings provision in present law (R.S. 22:2068(A)) is not applicable to first-party claims for damage to immovable property, if satisfactory proof of loss has been provided to the association as specified in proposed law.

(Amends R.S. 22:2067)