

2025 Regular Session

HOUSE BILL NO. 496

BY REPRESENTATIVES HEBERT, BAMBURG, BAYHAM, BERAULT, BILLINGS,
BOYD, BOYER, BRYANT, BUTLER, CARRIER, ROBBY CARTER, CARVER,
COATES, DEVILLIER, EDMONSTON, FISHER, GLORIOSO, JORDAN,
LAFLEUR, LARVADAIN, LYONS, MARCELLE, MCFARLAND, MILLER,
MOORE, NEWELL, SCHLEGEL, STAGNI, TAYLOR, AND WYBLE AND
SENATORS BARROW, DUPLESSIS, EDMONDS, AND TALBOT

AN ACT

To amend and reenact R.S. 22:1284.1(A) and (D) and to repeal R.S. 22:1284.1(B), relative
to lapses in required liability insurance coverage; to repeal references to certain
exemptions; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 22:1284.1(A) and (D) are hereby amended and reenacted to read as
follows:

§1284.1. Motor vehicle insurance; consideration of lapse in coverage ~~prohibited~~

~~A.(1)(a) No~~ An insurer shall not increase the premium rate or increase or add
a surcharge on any policy of motor vehicle insurance when such action is based
solely on consideration of a based on an insured's first lapse in coverage, provided
the lapse does not exceed ninety days as defined in this Section. Any subsequent
lapse in coverage may result in an increased premium rate or surcharge on a policy.
Each time an insured maintains continuous coverage for five or more consecutive
years following a lapse in coverage, the insurer shall treat the first subsequent lapse
in coverage as a first lapse for the purposes of this Section.

(b) As used in this Section, "lapse in coverage" or "lapse" means any period
during which the owner of a motor vehicle ceases to maintain liability coverage on
a vehicle as required by the Motor Vehicle Safety Responsibility Law.

(2) The withdrawal of a discount for which an insured no longer qualifies shall not be deemed an increase in the premium rate or a surcharge as used in this Subsection.

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D. Notwithstanding any other provisions of law to the contrary, one or more lapses in coverage, as defined in this Section, shall not be the sole basis for an insurer's denial of an application for a policy of motor vehicle insurance, ~~nor shall such lapse in coverage be considered by an insurer in determining the rates for such a policy.~~ In addition, ~~no~~ an insurer shall not require that ~~such~~ coverage be provided by another insurer based solely upon ~~such~~ a lapse in coverage.

Section 2. R.S. 22:1284.1(B) is hereby repealed in its entirety.

Section 3. This Act shall become effective on January 1, 2026; if vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on the day following such approval by the legislature or January 1, 2026, whichever is later.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____