

2026 Regular Session

HOUSE BILL NO. 739

BY REPRESENTATIVE BERAULT

INSURANCE: Provides relative to insurance fraud

1 AN ACT

2 To amend and reenact R.S. 22:1921(D), 1924(B), 1925(B), 1961, 1963, and 1968 and to  
3 enact R.S. 22:1962(G), relative to insurance fraud; to define certain terms; to provide  
4 for the investigation of insurance fraud matters; to provide for the powers of the  
5 commissioner with respect to insurance fraud; to provide for effectiveness; and to  
6 provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 22:1921(D), 1924(B), 1925(B), 1961, 1963, and 1968 are hereby  
9 amended and reenacted and R.S. 22:1962(G) is hereby enacted to read as follows:

10 §1921. Purpose and powers

11 \* \* \*

12 D. If during the course of the investigation, the office of insurance fraud  
13 determines that there may be a violation of criminal law, the office shall turn the  
14 matter over to the Department of Justice; the Department of Public Safety and  
15 Corrections, public safety services, office of state police; and any other appropriate  
16 law enforcement or prosecutorial agency, for further investigation, enforcement, or  
17 prosecution. However, with the consent of the law enforcement or prosecutorial  
18 agency, the office of insurance fraud may assist the law enforcement or prosecutorial  
19 agency in its investigation.

20 \* \* \*

1 §1924. Prohibited activities and sanctions

2 \* \* \*

3 B. ~~The~~ Unless otherwise provided by law, the criminal provisions of this  
4 Section shall be investigated, enforced, or prosecuted only by the proper law  
5 enforcement and prosecutorial agencies.

6 \* \* \*

7 §1925. Automobile insurance policies

8 \* \* \*

9 B. ~~The~~ Unless otherwise provided by law, the criminal provisions of this  
10 Section shall be investigated, enforced, or prosecuted only by the proper law  
11 enforcement and prosecutorial agencies.

12 \* \* \*

13 §1961. Purpose

14 The purpose of this Part is to regulate the trade practices and affairs of any  
15 person engaged in the business of insurance, in accordance with the intent of  
16 congress as expressed in Public Law 15-79th Congress\*, by defining or providing  
17 for the determination of all acts, methods, and practices which constitute unfair  
18 methods of competition and unfair or deceptive acts and practices in this state, and  
19 to prohibit the same.

20 §1962. Definitions

21 ~~When used in this Part:~~ For purposes of this Part, the following definitions  
22 apply:

23 \* \* \*

24 G.(1) "Business of insurance" means any of the following:

25 (a) An action concerning the sale, advertisement, or solicitation of a contract  
26 or policy of insurance.

27 (b) Aiding in the resolution of a claim or benefit under an insurance policy  
28 involving an insurer or a person who acts on behalf of an insurer, directly or

1 indirectly, and an insured, claimant, or any person who acts on behalf of an insured  
2 or claimant, directly or indirectly.

3 (2) "Business of insurance" does not mean a person lawfully engaged in the  
4 practice of law or lawfully assisting a patient with a prior authorization or appeal  
5 concerning the denial of healthcare services provided by a duly licensed healthcare  
6 provider.

7 §1963. Unfair methods and unfair or deceptive acts and practices prohibited

8 No person shall engage ~~in this state~~ in any trade practice ~~which is~~ or act  
9 affecting the business of insurance as defined in this Part to be an unfair method of  
10 competition or an unfair or deceptive act or practice in the conduct of the business  
11 of insurance, including unauthorized insurance as provided in R.S. 22:1902 et seq.  
12 or the failure to maintain professional liability insurance, if such coverage is required  
13 pursuant to R.S. 22:1570.1.

14 \* \* \*

15 §1968. Notice of hearing

16 A. If the commissioner has reason to believe that any person licensed by the  
17 department has been engaged or is engaging in this state in any unfair trade practice  
18 as defined in this Code, whether or not defined in this Part, the commissioner shall  
19 issue a notice of wrongful conduct to that person in accordance and compliance with  
20 R.S. 49:977.3 describing the unfair trade practice and citing the law which is deemed  
21 by the commissioner to be violated.

22 B. If the commissioner has reason to believe that any person not licensed by  
23 the department has engaged or is engaging in the business of insurance in this state  
24 and committed or is committing any unfair trade practice as defined in this Title, the  
25 commissioner may issue a cease and desist order, issue a fine, or take any other  
26 action against the person pursuant to R.S. 22:1961 et seq.

27 C. Any person not licensed by the commissioner who has been aggrieved by  
28 any act, cease and desist order, fine, order, or any other action of the commissioner  
29 pursuant to R.S. 22:1961 et seq., may appeal to any district court for which venue is

1 proper. The court shall conduct its review without a jury and by trial de novo, except  
 2 that if all parties, including the commissioner, so stipulate, the review shall be  
 3 confined to the record.

4 D. The commissioner may promulgate and adopt rules in accordance with  
 5 the Administrative Procedure Act to provide means of electronic delivery of the  
 6 notice required in this Section.

7 Section 2. This Act shall become effective upon signature by the governor or, if not  
 8 signed by the governor, upon expiration of the time for bills to become law without signature  
 9 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
 10 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
 11 effective on the day following such approval.

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#### DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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HB 739 Original

2026 Regular Session

Berault

**Abstract:** Pertains to matters of insurance fraud. Defines the term "business of insurance" to address unfair trade practices. Clarifies the investigative authority of the Office of Insurance Fraud and specifies that certain criminal offenses may be investigated, enforced, or prosecuted solely by designated law enforcement or prosecutorial agencies. Authorizes the commissioner to issue notices, orders, and penalties against individuals who are not duly licensed by the department.

Present law provides for the investigation of insurance fraud and authorizes the office of insurance fraud to refer cases involving potential criminal violation to the appropriate law enforcement or prosecutorial agencies. Proposed law retains present law while authorizing the office, with consent from the receiving agency, to assist in investigations.

Present law stipulates that the criminal provisions found in present law (R.S. 22:1924 and R.S. 22:1925) are to be investigated, enforced, or prosecuted by relevant law enforcement and prosecutorial agencies. Proposed law retains this framework and clarifies that this requirement is applicable unless otherwise specified by law.

Present law outlines the purpose of the unfair trade practices provisions and defines key terms used in that Section. Proposed law introduces a definition of "business of insurance" to include certain activities related to the sale, advertisement, solicitation, or resolution of claims under insurance policies, while excluding individuals lawfully engaged in the practice of law or assisting with prior authorizations or appeals of healthcare service denials.

Present law prohibits unfair methods of competition and unfair or deceptive acts or practices within the insurance industry. Proposed law preserves this prohibition and clarifies the scope of actions that are deemed unacceptable.

Proposed law authorizes the commissioner to issue notices, orders, and penalties for violations of unfair trade practices. Proposed law expands this authority to include the issuance of notices of wrongful conduct to individuals licensed by the department, in accordance with present law (R.S. 49:977.3,) as well as allowing the commissioner to issue cease and desist orders, fines, or take other actions against unlicensed individuals who engage in the business of insurance and commit unfair trade practices. Provides for appeals of actions and grants the commissioner the authority to adopt rules for the electronic delivery of notices.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 22:1921(D), 1924(B), 1925(B), 1961, 1963, and 1968; Adds R.S. 22:1962(G))