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## DIGEST

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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))