

2026 Regular Session

HOUSE BILL NO. 751

BY REPRESENTATIVE TAYLOR

INSURANCE: Requires insurers or business entities promoting term life insurance policies to provide certain notices to applicants

1 AN ACT

2 To enact R.S. 22:920, relative to term life insurance policies; to provide for required  
3 disclosures to term life insurance applicants; to provide for definitions; to provide  
4 for penalties for violations; to provide for rulemaking authority; and to provide for  
5 related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 22:920 is hereby enacted to read as follows:

8 §920. Term life insurance; pre-sale disclosure required

9 A. As used in this Section, the following terms have the meanings:

10 (1) "Applicant" means a natural person who applies for or is solicited to  
11 purchase a term life insurance policy.

12 (2) "Clear and conspicuous" means printed in not less than fourteen point  
13 type, in a color that provides a clear contrast against the background, and set apart  
14 from other text so as to be readily noticeable, readable, and understandable by an  
15 ordinary person.

16 (3) "Insurer" means an insurance company, association, or other entity  
17 authorized to issue life insurance policies in this state.

18 (4) "Producer" means an insurance producer, agent, broker, or other person  
19 who sells, solicits, or negotiates a term life insurance policy or group term life  
20 insurance certificate on behalf of an insurer.

1           (5) "Term life insurance policy" means an individual term life insurance  
2           policy, a group term life insurance policy, a group term life insurance certificate, or  
3           any similar policy or certificate that provides life insurance coverage for a specified  
4           term of years, including but not limited to decreasing term life insurance and  
5           return-of-premium term life insurance.

6           B.(1) An insurer or producer shall not issue, deliver, or contract for a term  
7           life insurance policy to an applicant in this state unless the insurer or producer has  
8           provided the applicant with a disclosure notice prior to the applicant's execution of  
9           the application or enrollment form, and the applicant has initialed each line of that  
10          disclosure notice and signed and dated the bottom of the page.

11          (2) The disclosure notice required by this Section shall be a standalone  
12          document, separate from the application, the policy, and any other forms, documents,  
13          or materials provided to the applicant, and shall be provided on a separate sheet of  
14          paper or, if the transaction is conducted electronically, on a separate electronic page.  
15          The disclosure notice shall contain only the information listed in Subsection C of this  
16          Section and no other text, advertising, marketing material, or extraneous information,  
17          except as provided in Subsection D of this Section.

18          C. The disclosure notice required by this Section shall contain all of the  
19          following information, presented in clear and conspicuous text:

20           (1) A heading in bold type reading: "TERM LIFE INSURANCE  
21           DISCLOSURE NOTICE--PLEASE READ BEFORE SIGNING."

22           (2) The total face amount of coverage payable to the beneficiary upon the  
23           death of the insured or upon the occurrence of any other event that triggers payment  
24           of the benefit under the policy during the term of coverage. If the policy provides for  
25           a benefit amount that varies over the term of the policy, including but not limited to  
26           decreasing term life insurance, the disclosure notice shall state the initial face amount  
27           and include a schedule or description showing the amount payable at each point  
28           during the term at which the benefit amount changes.

29           (3) The duration for which the policy provides coverage, stated as follows:

1           (a) The total number of years of the term.

2           (b) The total number of premium payments or premium payment periods  
3 required over the full term of the policy.

4           (4) The cost of the policy to the applicant, stated as follows:

5           (a) The amount of each individual premium payment and the frequency of  
6 such payments, whether monthly, quarterly, semi-annually, annually, or otherwise.

7           (b) The total amount that the insured would pay in premiums over the full  
8 term of the policy if the insured survives to the expiration of the term and all  
9 scheduled premium payments are made.

10           (5) Information regarding the status of coverage at the expiration of the term,  
11 stated as follows:

12           (a) The amount of coverage, if any, that is available for renewal upon  
13 expiration of the term, and a statement of whether such renewal is guaranteed or  
14 subject to underwriting or other conditions. If no renewal coverage is available, the  
15 disclosure notice shall state: "This policy does not provide for renewal. Coverage  
16 terminates at the end of the term."

17           (b) The age, expressed in years and months, that the insured will have  
18 attained if the insured survives to the expiration of the term. The age shall be  
19 calculated from the applicant's date of birth as provided in the application.

20           D. The disclosure notice may include any of the following information:

21           (1) The name of the insurer.

22           (2) The name of the applicant.

23           (3) The policy or application number, if assigned.

24           E.(1) If a group term life insurance policy requires the individual insured to  
25 contribute to the premium, the insurer or the group policyholder shall provide the  
26 disclosure notice required by this Section to each certificate holder or enrollee prior  
27 to enrollment.

28           (2) If an employer or group policyholder pays the entire premium and no  
29 contribution is required of the individual insured, the disclosure notice shall include

1 a statement that the employer or group policyholder pays the full premium cost of  
2 the coverage and may not include the information required by Paragraph (C)(4) of  
3 this Section.

4 F. The applicant shall initial each line and sign and date at the bottom of  
5 disclosure notice to acknowledge receipt prior to executing the application or  
6 enrollment form. The insurer or producer shall retain the signed disclosure notice as  
7 part of the policy file for not less than five years following the expiration or  
8 termination of the policy.

9 G. If the application or enrollment is conducted electronically, the disclosure  
10 notice may be delivered electronically if the disclosure notice is displayed on a  
11 separate electronic page that the applicant shall affirmatively acknowledge before  
12 proceeding to complete the application. An electronic signature or affirmative  
13 electronic acknowledgment satisfies the requirements of Subsection E of this  
14 Section.

15 H.(1) Failure to provide the disclosure notice required by this Section does  
16 not affect the validity or enforceability of the underlying insurance policy or  
17 certificate, however, if the insurer or producer fails to provide the disclosure notice  
18 prior to the applicant's execution of the application or enrollment form, the insured  
19 may cancel the policy at any time before the thirtieth day following the date on  
20 which the insured initials, signs, and returns the disclosure notice to the insurer or  
21 producer. An insured who cancels a policy pursuant to this Paragraph shall receive  
22 a full refund of all premiums paid.

23 (2) Failure to provide the disclosure notice required by this Section  
24 constitutes an unfair trade practice subject to the provisions of R.S. 22:1961 et seq.

25 (3) The commissioner of insurance may promulgate rules and regulations  
26 necessary for the implementation and enforcement of this Section in accordance with  
27 the Administrative Procedure Act.

28 I. A violation of this Section shall constitute an unfair trade practice under  
29 R.S. 22:1961 et seq. and shall subject the violator to the penalties provided in R.S.

1        22:1971 et seq., in addition to any other remedies available under law. The  
 2        commissioner of insurance may also suspend or revoke the license of any producer  
 3        or insurer found in violation after notice and hearing.

## 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)]

HB 751 Original

2026 Regular Session

Taylor

**Abstract:** Requires term life insurers or businesses offering term life policies to provide applicants with a disclosure form to be initialed and signed by the applicant before contracting for the term life insurance policy. The disclosure notice shall provide certain information including the number of monthly payments to be made during the term, the amount of each payment, the total dollar amount of all payments before the end of the term, and the amount of coverage, if any, that would remain at the term's expiration.

Proposed law defines "applicant", "clear and conspicuous", "insurer", "producer", and "term life insurance policy".

Proposed law provides that an insurer or producer shall not issue, deliver, or contract for a term life insurance policy to an applicant in this state unless the insurer or producer has, provided the applicant with a disclosure notice prior to the applicant's execution of the application or enrollment form, and the applicant has initialed each line of that disclosure notice and signed and dated the bottom of the page.

Proposed law provides that the disclosure notice required by proposed law shall be a standalone document provided on a separate sheet of paper or, if the transaction is conducted electronically, on a separate electronic page. The disclosure notice shall contain only the information listed in proposed law.

Proposed law provides that the disclosure notice shall contain only the following information:

- (1) A heading in bold type reading: "TERM LIFE INSURANCE DISCLOSURE NOTICE--PLEASE READ BEFORE SIGNING."
- (2) The total face amount of coverage payable to the beneficiary upon the death of the insured or upon the occurrence of any other event that triggers payment of the benefit under the policy during the term of coverage, or if the benefit is variable, a schedule or description showing the amount payable at each point during the term at which the benefit amount changes.
- (3) The total number of years of the term, and the number of premium payment periods over the full term of the policy.
- (4) The cost of the policy to the applicant, stated as the amount of each individual payment and the total of all premium payments over the entire term of coverage.
- (5) The amount of coverage available for renewal upon term expiration, if any, and the age the applicant will have attained at the expiration of the term.

Proposed law provides that the disclosure notice may include any of the following information:

- (1) The name of the insurer.
- (2) The name of the applicant.
- (3) The policy or application number, if assigned.

Proposed law provides that failure to provide the disclosure notice required by proposed law gives the insured a free-look period within which to rescind the policy at his election and receive a refund of all premium payments made until 30 days after the disclosure notice is provided to and signed by the insured.

Proposed law makes violations of proposed law an unfair trade practice subject to the provisions of R.S. 22:1961 et seq.

Proposed law provides rulemaking authority to the commissioner of insurance.

Proposed law provides that the commissioner of insurance may revoke or suspend licenses of producers or insurers for violations of proposed law.

(Adds R.S. 22:920)