
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)