

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, 1962(introductory
3 paragraph), 1963, and 1968 and to enact R.S. 22:1962(G), relative to insurance
4 fraud; to define certain terms; to provide for the investigation of insurance fraud
5 matters; to provide for the powers of the commissioner with respect to insurance
6 fraud; to provide for effectiveness; and to 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, 1962(introductory paragraph),
9 1963, and 1968 are hereby amended and reenacted and R.S. 22:1962(G) is hereby enacted
10 to read as follows:

11 §1921. Purpose and powers

12 * * *

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

1 agency, the office of insurance fraud may assist the law enforcement or prosecutorial
2 agency in its investigation.

3 * * *

4 §1924. Prohibited activities and sanctions

5 * * *

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

9 * * *

10 §1925. Automobile insurance policies

11 * * *

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

15 * * *

16 §1961. Purpose

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

23 §1962. Definitions

24 ~~When used in this Part:~~ For purposes of this Part, the following definitions
25 apply:

26 * * *

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

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

1 C. Any person not licensed by the commissioner who has been aggrieved by
 2 any act, cease and desist order, fine, order, or any other action of the commissioner
 3 pursuant to R.S. 22:1961 et seq., may appeal in accordance with the provisions of
 4 R.S. 22:2191 et seq.

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

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

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 739 Reengrossed

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.

Present law provides for the investigation of insurance fraud and authorizes the office of insurance fraud to refer cases involving potential criminal violations 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. Proposed law defines "business of insurance" to include certain activities related to the sale, advertisement, solicitation, or resolution of claims under insurance policies. Proposed law revises the definition of "business of insurance" to state that the provisions of this proposed law shall not apply to attorneys actively providing legal services on behalf of clients, nor to healthcare providers and their representatives who are actively assisting patients with prior authorizations or appeals regarding denials of healthcare services.

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, 1962(intro. para.), 1963, and 1968; Adds R.S. 22:1962(G))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Insurance to the original bill:

1. Amend the definition of "Business of Insurance" to clarify that the provisions of proposed law do not apply to certain persons engaged in the practice of law.
2. Provide that appeals of actions taken under proposed law shall be governed by present law, R.S. 22:2191.
3. Remove redundant language from proposed law to maintain consistency with existing statutory format.
4. Make technical changes.

The House Floor Amendments to the engrossed bill:

1. Amend the definition of "Business of Insurance" to clarify that the provisions of the proposed law do not apply to attorneys actively providing legal services on behalf of clients or to healthcare providers and their representatives assisting patients with prior approvals.
2. Make technical changes.