

## HOUSE SUMMARY OF SENATE AMENDMENTS

**HB 825**

**2026 Regular Session**

**Braud**

INSURANCE: Provides relative to the Stated Value Homeowner's Policy Act

### Synopsis of Senate Amendments

1. Makes technical changes.
2. Requires a homeowner electing a stated value policy to submit to his insurer a written payoff statement from each financial institution or any other entity holding a mortgage or lien on the property.
3. Prohibits an insurer from issuing a stated value policy for a sum less than the verified outstanding balance of all mortgage and liens on the homeowner's property.

### Digest of Bill as Finally Passed by Senate

Proposed law redefines "stated value homeowner's policy" as a residential insurance policy under which the insured may declare a stated value for the insured residential property, which is agreed upon by the insurer as the amount of insurance coverage, irrespective of the replacement cost value of the property.

Present law permits insurance coverage to be based on a stated value of the residential property as declared by the homeowner or authorized agent, rather than solely on the market value of the property. Proposed law permits insurance coverage to be based on a stated value of the residential property as declared by the homeowner or authorized agent, rather than the replacement cost value of the property.

Proposed law removes present law that an insurer is required to prominently disclose stated value policy offerings in all insurance policy proposals, agreements, and renewal documents provided to consumers.

Present law provides that a homeowner electing a stated value homeowner's policy shall submit to his insurer a written payoff statement from the financial institution or any other entity holding a mortgage on the property. Proposed law adds that a homeowner electing a stated value homeowner's policy shall submit to his insurer a written payoff statement from the financial institution or any other entity holding a mortgage or lien on the property.

Proposed law requires that prior to issuing any stated value policy, the insurer shall obtain a statement signed by insureds which contains the notice language within the bill in boldfaced type no smaller than 18-point font.

Proposed law adds that proposed law shall not be construed to affect coverage under an insurance policy or create a cause of action against the insurer or the insurer's agent or representative.

Present law requires the commissioner of insurance to distribute informational materials to homeowners.

Proposed law repeals the requirement to distribute informational materials to homeowners.

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

(Amends R.S. 22:1346.1(intro. para.) and (2), 1346.2, 1346.3(A) and (C), 1346.4, and 1346.5 (A)(1) and (4) and (B)(1))