

First Extraordinary Session, 2005

HOUSE BILL NO. 1

BY REPRESENTATIVE RICHMOND

INSURANCE CLAIMS: Require insurers to itemize the specific insurance coverage items that are being paid in a settlement on a homeowner's insurance claim (Item #72)

1 AN ACT

2 To enact R.S. 22:1471.1, relative to homeowners' insurance claims; to provide for payments;
3 to provide for settlements; to provide for applicability; and to provide for related
4 matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 22:1471.1 is hereby enacted to read as follows:

7 §1471.1. Homeowner's insurance; claims payments and settlements

8 A. No payment of a claim on a homeowner's insurance policy shall be
9 considered a final settlement if the insurer fails to provide the insured with a
10 statement that accurately reflects the amount paid under each specific item of
11 coverage under the policy. The statement shall list each provision of coverage in the
12 policy under which the insured may be entitled to payment, the maximum amount
13 that may be paid under that item, and the amount actually included for payment
14 under that item. The statement shall be given to the insured prior to the execution
15 of a release by the insured.

16 B. The provisions of this Section shall apply to those homeowners' policies
17 in effect on August 28, 2005, and thereafter.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument.

Richmond

HB No. 1

Abstract: Require insurers to itemize the specific insurance coverage items that are being paid in a settlement on a homeowner's insurance claim (Item #72).

Proposed law provides that a settlement on a claim under a homeowner's policy is not considered final unless the insurer provides a statement itemizing the amounts paid under various coverages of the policy.

Proposed law requires the statement to list each item of coverage under which there may be payment, the maximum amount that may be paid, and the actual amount included in the final payment.

Proposed law requires that the statement be given to the insured prior to any execution of a release.

Proposed law applies to homeowners' policies in effect on August 28, 2005, and thereafter.

(Adds R.S. 22:1471.1)