First Extraordinary Session, 2005 SENATE BILL NO. 48

BY SENATOR MURRAY

1	AN ACT
2	To enact R.S. 22:696 and 1471.1, relative to insurance coverage for property damage due
3	to flooding; to require that itemized coverage limits be disclosed to the insured; and
4	to provide for related matters.
5	Be it enacted by the Legislature of Louisiana:
6	Section 1. R.S. 22:696 and 1471.1 are hereby enacted to read as follows:
7	§696. Delivery of fire insurance contract providing coverage for damage to
8	property; disclosure of coverage; coverage for damages due to
9	<u>flood</u>
10	In addition to any other requirement contained in law, the following
11	provisions shall govern the issuance of fire insurance policies issued or delivered
12	in this state which provide coverage for damage to property in this state:
13	(1) No fire insurance policy which provides coverage for damage to
14	property shall be delivered or issued for delivery in this state with respect to any
15	residence or commercial property unless the insurer advises the insured in
16	writing, prominently displayed on a form developed and promulgated by the
17	commissioner of insurance, as an insert in the front of the policy as to which
18	coverages are included in the policy for which the insured has paid premiums.
19	The insurer shall disclose whether or not the insured has coverage for flooding
20	or mold and whether an increased deductible is required for hurricane damage.
21	The typed print of the disclosure shall be in bold and not less than a 14 point
22	font. The disclosure shall also state that flood insurance is available though the
23	National Flood Insurance Program and that excess flood insurance may be

Page 1 of 2 Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

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1	available by a separate policy.
2	* * *
3	§1471.1. Homeowner's insurance; claims payments and settlements
4	No payment of a claim on a homeowner's insurance policy shall be
5	considered a final settlement if the insurer fails to provide the insured with a
6	statement that accurately reflects the amount paid under each category of
7	coverage under the policy. The statement shall list each provision of coverage
8	in the policy under which the insured may be entitled to payment, the maximum
9	amount that may be paid under each category of coverage, and the amount
10	actually included for payment under each category of coverage. The statement
11	shall be given to the insured prior to the execution of a release by the insured.
12	Section 2. This Act shall become effective upon signature by the governor or, if not
13	signed by the governor, upon expiration of the time for bills to become law without signature
14	by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
15	vetoed by the governor and subsequently approved by the legislature, this Act shall become
16	effective on the day following such approval.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____