

SENATE BILL NO. 135

BY SENATOR LONG

1 AN ACT

2 To amend and reenact R.S. 22:1806.3(A)(3) and to enact R.S. 22:1806.3(A)(4) and (5),
3 relative to home service contracts; to provide with respect to requirements for doing
4 business; to require solvency; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 22:1806.3(A)(3) is hereby amended and reenacted and R.S.
7 22:1806.3(A)(4) and (5) are hereby enacted to read as follows:

8 §1806.3. Requirements for doing business

9 A. Home service contracts shall not be issued, sold, or offered for sale in this
10 state unless the provider has done each of the following:

11 * * *

12 (3) Provided a financial statement annually to the commissioner showing
13 that the provider is solvent.

14 (4) Provided to the commissioner by March 1, 2016, a report
15 documenting for calendar year 2015 the number of home service contracts
16 issued or sold with respect to residential property; the gross consideration
17 received thereon; the number and dollar amount of claims paid, categorically
18 by the cost of repair or by the cost of replacement; and the number of claims
19 denied for failure of the service contract holder to receive prior approval for
20 such repair or replacement.

