

2016 Regular Session

HOUSE BILL NO. 935

BY REPRESENTATIVE HOLLIS

INSURANCE/POLICIES: Provides relative to notice to policyholders of policy changes at renewal

1 AN ACT

2 To enact R.S. 22:41.1, relative to insurer notification to policyholders to require notice to  
3 be given under certain circumstances; to provide for the imposition of penalties by  
4 the commissioner of insurance; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 22:41.1 is hereby enacted to read as follows:

7 §41.1. Notification of changes in policy provisions at renewal

8 Notwithstanding any other provision of law, insurers shall provide each  
9 policyholder with a written notification outlining any reduction in coverage in policy  
10 provisions at renewal. Any insurer that fails to comply with this Section may be  
11 subject to administrative penalties as determined by the commissioner, to include but  
12 not be limited to revocation, suspension of license, fines, sanctions, or any other  
13 penalty provided to the commissioner pursuant to this Title.

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

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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)]

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HB 935 Engrossed

2016 Regular Session

Hollis

**Abstract:** Requires insurers to provide policyholders written notification of any change in policy provisions at renewal.

Proposed law requires insurers to provide policyholders written notification outlining any reduction in coverage in policy provisions at renewal. Further provides that insurers who fail to comply may be subject to administrative penalties as determined by the commissioner.

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

(Adds R.S. 22:41.1)

Summary of Amendments Adopted by House

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

1. Delete requirement that insurers provide policyholders of any change in coverage at renewal and instead provide policyholders an outline of any reduction in coverage in policy provisions at renewal.
2. Clarify that a violation of proposed law may subject insurers to administrative penalties pursuant to present law, as determined by the commissioner.