

2019 Regular Session

HOUSE BILL NO. 411

BY REPRESENTATIVE TERRY LANDRY AND SENATOR MILLS AND REPRESENTATIVES BAGNERIS, BILLIOT, CARPENTER, GARY CARTER, CHANEY, DUPLESSIS, GAINES, GLOVER, JACKSON, JAMES, JEFFERSON, JENKINS, JORDAN, LARVADAIN, LEBAS, LYONS, NORTON, PYLANT, SMITH, AND STAGNI

1 AN ACT

2 To amend and reenact R.S. 22:1892(D), relative to claims for motor vehicle repairs; to
3 prohibit an insurer from requiring motor vehicle repairs be made in a particular place
4 or shop; to provide limitations for insurers; to provide for fines to be levied by the
5 commissioner of insurance; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 22:1892(D) is hereby amended and reenacted to read as follows:

8 §1892. Payment and adjustment of claims, policies other than life and health and
9 accident; personal vehicle damage claims; extension of time to respond to
10 claims during emergency or disaster; penalties; arson-related claims
11 suspension

12 * * *

13 D.(1) When making a payment incident to a claim, no insurer shall require
14 ~~that as a condition to such payment,~~ repairs be made to a motor vehicle, including
15 window glass repairs or replacement, in a particular place or shop or by a particular
16 entity. ~~Any insurer violating the provisions of this Subsection shall be fined not~~
17 ~~more than five hundred dollars for each offense.~~

18 (2) An insurer shall not recommend the use of a particular motor vehicle
19 service or network of repair services without informing the insured or claimant that
20 the insured or claimant is under no obligation to use the recommended repair service
21 or network of repair services.

1 (3) An insurer shall not engage in any act or practice of intimidation,
2 coercion, or threat to use a specified place of business for repair and replacement
3 services.

4 (4) The commissioner may levy the following fines against any insurer that
5 violates this Subsection:

6 (a) For a first offense, one thousand dollars.

7 (b) For a second offense within a twelve-month period, two thousand five
8 hundred dollars.

9 (c) For a third or subsequent offense within a twelve-month period, five
10 thousand dollars.

11 ~~(2)~~(5) A violation of this Subsection shall constitute an additional ground,
12 under R.S. 22:1554, for the commissioner to refuse to issue a license or to suspend
13 or revoke a license issued to any producer to sell insurance in this state.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____