RÉSUMÉ DIGEST

ACT 328 (HB 941) **2026 Regular Session** **Hebert**

New law (R.S. 9:2780(H)) codifies the jurisprudential standard for additional insured coverage in specific oil and gas agreements as established in Marcel v. Placid Oil Co., 11 F.3d 563 (1994).

Existing law (R.S. 9:2780(B) and (C)) defines agreements related to the extraction of oil, gas, water, or drilling for minerals broadly to include all activities associated with the exploration, development, production, and transportation of minerals.

Existing law (R.S. 9:2780(G)) stipulates that any contractual provisions mandating waivers of subrogation, additional insured endorsements, or any other forms of insurance coverage designed to circumvent established statutory prohibitions be deemed null and void.

New law retains the provisions of existing law and clarifies that the term "well" encompasses multiple wells.

New law (R.S. 9:2780(H)) codifies established case law, which stipulates that additional insured coverage acquired through an agreement is enforceable only under specific circumstances.

New law (R.S. 9:2780(H)) stipulates that a party may obtain additional insured coverage for itself or for itself and its group members only under the following conditions:

(1) The party submits a distinct written request for an additional insured premium quote to the named insured or to the named insured's agent or broker.

(2) The party receives a premium quote from the insurer of the named insured or from its authorized representative.

(3) The party makes direct payment for such coverage to the insurer of the named insured or to its authorized representative.

New law (R.S. 9:2780(H)(2)) stipulates that additional insured coverage for the group be deemed valid and enforceable when the premium for group coverage is explicitly quoted, and payment by the additional insured corresponds directly to that quoted group amount.

New law (R.S. 9:2780(H)(3)) stipulates that upon the acquisition of additional insured coverage, the named insured, along with its insurer or an authorized representative, provide written notification to the additional insured at least 30 days prior to the due date of the next renewal premium, or within seven days following the binding of the renewal coverage for the named insured, whichever period is shorter.

New law further stipulates that in the event an additional insured fails to request coverage or fails to remit payment in the preceding policy year, the named insured, along with its insurer or authorized representative, is under no obligation to provide advance notice of upcoming renewals. The additional insured will be required to submit a new written request for coverage.

New law stipulates that, upon the acquisition of additional insured coverage, the additional insured party bears responsibility for any applicable deductibles or retentions up to the amount of $100,000. The named insured will be liable for any sums exceeding $100,000.

New law (R.S. 9:2780(H)(4)) explicitly declares that any contractual obligation requiring the named insured to cover all or part of the deductible or retention up to the initial $100,000 threshold is considered null and unenforceable.

New law (R.S. 9:2780(H)(5)) maintains the existing prohibition against defense and indemnity provisions as outlined in existing law.

Existing law (R.S. 9:2780(I)) continues to govern certain provisions that are contained within, collateral to, or otherwise affecting agreements related to the activities specified in existing law.

New law (R.S. 9:2780(J)) clarifies that the activities listed in existing law (R.S. 9:2780(C)) are to be regarded as illustrative rather than exhaustive.

Effective August 1, 2026.

(Amends R.S. 9:2780(B), (C), (G), (H), and (I); Adds R.S. 9:2780(J))