
DIGEST

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HB 476 Reengrossed

2016 Regular Session

Huval

Abstract: Provides that an insurer, but not an insurance producer, may be asked to prepare an addendum to a certificate of insurance that clarifies, explains, summarizes, or provides a statement of the coverages provided by an insurance policy. Further provides that a certificate of insurance may be issued only on standard forms promulgated by ACORD, AAIS, ISO, the insurer, or a lender and that the insurance producer may not be asked to provide an interpretation of the forms or endorsements listed on a certificate of insurance, other than by a lender.

Present law provides that either an insurance producer or insurer may be asked to provide an addendum to a certificate of insurance that clarifies, explains, summarizes, or provides a statement of the coverages provided by an insurance policy.

Proposed law provides that only the insurer may be asked to provide an addendum to a certificate of insurance that clarifies, explains, summarizes, or provides a statement of the coverages provided by an insurance policy. Further provides that an insurance producer may not be asked to provide any additional documents other than a certificate of insurance, other than by a lender, as defined in the Section.

Present law allows the use of insurance certificates promulgated by the Association for Cooperative Operations Research and Development (ACORD) the American Association of Insurance Services (AAIS), or the Insurance Services Office (ISO), or any certificate approved by the commissioner of insurance. Proposed law allows only the use of certificates of insurance promulgated by an insurer, ACORD, AAIS, ISO, or by a lender.

Proposed law prohibits a certificate holder or other interested party, other than a lender, from requiring an interpretation of the forms and endorsements to an insurance policy that are listed on a certificate of insurance.

(Amends R.S. 22:890)

Summary of Amendments Adopted by House

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

1. Add definition of "lender".

2. Only allow the issuance of certificates of insurance on standard certificate of insurance forms promulgated by the insurer, the Association for Cooperative Operations Research and Development (ACORD) the American Association of Insurance Services (AAIS), or the Insurance Services Office (ISO), unless a lender requests otherwise.
3. Delete provisions in current law that allow the use of forms other than those issued by ACORD, AAIS, or ISO.
4. Allow lenders to request an insurance producer provide additional information not contained in a certificate of insurance.
5. Specify that the certificate of insurance may list only the specific forms or endorsements contained in the underlying insurance policy.
6. Prevent a certificate holder or other interested party, other than a lender, from requiring an insurance producer to provide an interpretation of the forms and endorsements.
7. Make technical changes.

The House Floor Amendments to the engrossed bill:

1. Provide that a lender or policyholder may request an opinion letter or other documentation from an agent, in addition to the certificate of insurance.
2. Provide that a lender may request an agent prepare or issue an addendum that explains or provides a statement of coverages provided by a policy of insurance.
3. Make technical changes.