

ENROLLED

2021 Regular Session

ACT No. 344

HOUSE BILL NO. 585

BY REPRESENTATIVE GEYMAN

1

AN ACT

2 To amend and reenact R.S. 22:1892(B)(1) and to enact R.S. 22:1892(A)(5), relative to  
3 homeowner's insurance claims settlement practices; to provide for certain claims  
4 settlement practices; to provide for penalties for insurers failing to provide timely  
5 payment or settlement offers for claims; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 22:1892(B)(1) is hereby amended and reenacted and R.S.  
8 22:1892(A)(5) is hereby enacted to read as follows:

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

13 A.

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15 (5) An insurer shall issue a copy of the insurer's field adjuster report, relative  
16 to the insured's property damage claim, to the insured within fifteen days of  
17 receiving a request for such from the insured.

18 B.(1)(a) Except as provided in Subparagraph (b) of this Paragraph, failure  
19 Failure to make such payment within thirty days after receipt of such satisfactory

1                   written proofs and demand therefor or failure to make a written offer to settle any  
2                   property damage claim, including a third-party claim, within thirty days after receipt  
3                   of satisfactory proofs of loss of that claim, as provided in Paragraphs (A)(1) and (4)  
4                   of this Section, respectively, or failure to make such payment within thirty days after  
5                   written agreement or settlement as provided in Paragraph (A)(2) of this Section when  
6                   such failure is found to be arbitrary, capricious, or without probable cause, shall  
7                   subject the insurer to a penalty, in addition to the amount of the loss, of fifty percent  
8                   damages on the amount found to be due from the insurer to the insured, or one  
9                   thousand dollars, whichever is greater, payable to the insured, ~~or to any of said~~  
10                  ~~employees;~~ or in the event a partial payment or tender has been made, fifty percent  
11                  of the difference between the amount paid or tendered and the amount found to be  
12                  due as well as reasonable attorney fees and costs. Such penalties, if awarded, shall  
13                  not be used by the insurer in computing either past or prospective loss experience for  
14                  the purpose of setting rates or making rate filings.

15                  (b) In the case of a presidentially or gubernatorially declared disaster, failure  
16                  to make such payment within thirty days after receipt of such satisfactory written  
17                  proofs and demand therefor or failure to make a written offer to settle any property  
18                  damage claim, including a third-party claim, within thirty days after receipt of  
19                  satisfactory proofs of loss of that claim, as provided in Paragraphs (A)(1) and (4) of  
20                  this Section, respectively, or failure to make such payment within thirty days after  
21                  written agreement or settlement as provided in Paragraph (A)(2) of this Section when  
22                  such failure is found to be arbitrary, capricious, or without probable cause, shall  
23                  subject the insurer to a penalty, in addition to the amount of the loss, of fifty percent  
24                  damages on the amount found to be due from the insurer to the insured, or two  
25                  thousand five hundred dollars, whichever is greater, payable to the insured, or in the  
26                  event a partial payment or tender has been made, fifty percent of the difference  
27                  between the amount paid or tendered and the amount found to be due as well as  
28                  reasonable attorney fees and costs or two thousand five hundred dollars, whichever

1       is greater. The penalties, if awarded, shall not be used by the insurer in computing  
2       either past or prospective loss experience for the purpose of setting rates or making  
3       rate filings.

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## SPEAKER OF THE HOUSE OF REPRESENTATIVES

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## PRESIDENT OF THE SENATE

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## GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_