

RÉSUMÉ DIGEST

ACT 351 (SB 373)

2020 Regular Session

Cloud

Prior law provided for methods, acts, and practices which are defined as unfair or deceptive, including failure to provide claims history within 30 days of receipt of the first named insured's written request and within 20 days of receipt of the first named insured's request for certain additional information.

New law retains prior law and provides that the provisions of prior law apply exclusively to personal lines insurance.

New law provides, relative to commercial lines insurance, that it shall be an unfair or deceptive act or practice if a company that issues property and casualty insurance fails to provide loss information, by mail, or by the same means the request for the information was submitted for the five previous policy years to the first named insured within 10 business days of receipt of the first named insured's written request submitted by mail, fax, or email.

New law provides that if the prospective insurer requests the first named insured to provide detailed loss information in addition to new law requirements, the first named insured may mail, fax, email, or deliver a written request to the insurer for additional information.

New law prohibits a prospective insurer from requesting more detailed loss information than reasonably required to underwrite the same line or class of insurance.

New law requires the insurer to provide information pursuant to new law by mail and if the request was not submitted by mail, then by the same means the request was submitted to the first named insured as soon as possible but in no event later than 10 business days of receipt of the written request.

New law provides that no insurer shall be required to provide loss reserve information and no prospective insurer may refuse to insure an applicant solely because the prospective insurer is unable to obtain loss reserve information.

New law authorizes the commissioner of insurance to promulgate regulations to exclude the providing of loss information for any line or class of insurance where it can be shown that the information not needed for that line or class of insurance or where the provision of loss information is otherwise required by law.

New law provides that information provided pursuant to new law is not subject to discovery by any party other than the insured, the insurer, and the prospective insurer.

Effective August 1, 2020.

(Amends R.S. 22:1964(20)-(28); adds R.S. 22:1964(29))