

2022 Regular Session

HOUSE BILL NO. 931

BY REPRESENTATIVE FIRMENT

INSURANCE/HOMEOWNERS: Provides for personal property coverage in a total loss under a homeowners' policy

1 AN ACT

2 To enact R.S. 22:1331.1, relative to the payment of personal property coverage; to provide
3 for payment under a homeowners' policy after a total loss; to provide for an initial
4 payment offer; to provide for additional claim payments; to provide for claims filed
5 related to a disaster; to provide for a restriction of payment in cases of suspected
6 fraud; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 22:1331.1 is hereby enacted to read as follows:

9 §1331.1. Personal property coverage; payment after a total loss; disaster

10 A. In the event of a covered total loss of a primary dwelling under a
11 homeowners' insurance policy resulting from a disaster, as defined in R.S. 29:723,
12 if the residence was furnished at the time of the loss, the insurer shall offer a
13 payment pursuant to the policy's personal property coverage in an amount no less
14 than twenty-five percent of the policy limit applicable to the covered dwelling, up
15 to a maximum of one hundred thousand dollars, without requiring the insured to file
16 an itemized claim.

17 B. If an insured receives a payment pursuant to Subsection A of this Section,
18 the insured may recover additional amounts, up to the policy limit, for personal
19 property coverage by filing a claim pursuant to the terms of the policy for the loss

1 that exceeds the value of the payment provided pursuant to Subsection A of this
2 Section.

3 C. If an insured files a claim related to a disaster, as defined in R.S. 29:723,
4 the insurer shall notify the insured of the option to receive an initial payment for loss
5 of personal property provided in Subsection A of this Section and the insured's
6 option to subsequently file a full itemized claim as provided in Subsection B of this
7 Section.

8 D. The subdivision of payments for personal property coverage provided for
9 in this Section shall not affect payment under the policy for scheduled personal
10 property.

11 E. Nothing in this Section shall be interpreted to prohibit an insurer from
12 restricting payment in cases of suspected fraud.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 931 Original

2022 Regular Session

Firmment

Abstract: Provides for personal property coverage in a total loss under a homeowners' policy.

Proposed law provides that in the event of a covered total loss of a primary dwelling under a homeowners' insurance policy resulting from a disaster, if the residence was furnished at the time of the loss, the insurer shall offer a payment pursuant to the policy's personal property coverage in an amount no less than 25% of the policy limit applicable to the covered dwelling, up to a maximum of \$100,000, without requiring the insured to file an itemized claim.

Proposed law provides that after receiving a payment pursuant to proposed law, the insured may recover additional amounts up to the policy limit for personal property coverage by filing a claim pursuant to the terms of the policy for the loss that exceeds the value of the payment pursuant to proposed law.

Proposed law provides that if an insured files a claim related to a disaster, the insurer shall notify the insured of the option to receive an initial payment for loss of personal property and the insured's option to subsequently file a full itemized claim.

Proposed law provides that the subdivision of payments for personal property coverage provided in proposed law shall not affect payment under the policy for scheduled personal property.

Proposed law provides that nothing in proposed law shall be interpreted to prohibit an insurer from restricting payment in cases of suspected fraud.

(Adds R.S. 22:1331.1)