

1 Associations's Model Rule, calling for insurers to provide direct written notification to
2 claimants of third-party liability settlements; and

3 WHEREAS, those states that have adopted settlement payee notification laws have
4 generally reported a decline in the number of client protection fund claims based upon
5 settlement misappropriation; and

6 WHEREAS, Louisiana currently has no requirement that an insurance company
7 provide written notice to a claimant when a settlement check is issued and sent to the
8 claimant's lawyer or representative.

9 THEREFORE, BE IT RESOLVED that the Legislature of Louisiana requests the
10 House Committee on Insurance and the Senate Committee on Insurance to meet and to
11 function as a joint committee to study lawyer misconduct in the settlement of third-party
12 liability claims and to report the findings of the joint committee to the legislature prior to the
13 convening of the 2012 Regular Session of the Legislature.

DIGEST

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Pearson

HCSR No. 6

Requests the House Committee on Insurance and the Senate Committee on Insurance to meet and to function as a joint committee to study lawyer misconduct in the settlement of third-party liability claims. Also requires a report of the findings of the joint committee to the legislature prior to the convening of the 2012 R.S.