SLS 18RS-354 ORIGINAL

2018 Regular Session

SENATE BILL NO. 216

BY SENATOR MILKOVICH

AUTOMOBILE INSURANCE. Provides relative to duties and liability of insurers regarding automobile accidents. (8/1/18)

AN ACT 1 2 To amend and reenact R.S. 22:1892(A)(1), relative to payment of personal vehicle damage claims; to provide with respect to third party payments of damage claims; and to 3 4 provide for related matters. 5 Be it enacted by the Legislature of Louisiana: Section 1. R.S. 22:1892(A)(1) is hereby amended and reenacted to read as follows: 6 7 §1892. Payment and adjustment of claims, policies other than life and health and 8 accident; personal vehicle damage claims; extension of time to 9 respond to claims during emergency or disaster; penalties; 10 arson-related claims suspension 11 A.(1) All insurers issuing any type of contract, other than those specified in R.S. 22:1811, 1821, and Chapter 10 of Title 23 of the Louisiana Revised Statutes of 12 13 1950, shall pay the amount of any claim due any insured within thirty days after receipt of satisfactory proofs of loss from the insured or any party in interest. In the 14 event of a total loss of a motor vehicle, the insurer shall pay to the insured or 15 any party in interest the fair market value of the vehicle or the actual costs of 16 vehicle repairs. The insurer shall notify the insurance producer of record of all such 17

payments for property damage claims made in accordance with this Paragraph.

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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Cheryl Cooper.

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SB 216 Original

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Milkovich

<u>Present law</u> requires all insurers to pay the amount of any claim due any insured within 30 days after receipt of satisfactory proof of loss from the insured or any party in interest.

<u>Proposed law</u> retains <u>present law</u> and further requires insurers to pay to the insured or any party in interest the reasonable value of a totaled vehicle or the actual cost of vehicular repairs within 30 days of receipt of satisfactory proof of loss.

Effective August 1, 2018.

(Amends R.S. 22:1892(A)(1))