

2023 Regular Session

SENATE BILL NO. 38

BY SENATOR TALBOT

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

INSURANCE CLAIMS. Provides the Louisiana Citizens Property Insurance Corporation shall not be liable for any special damages awarded for any property damage insurance claim. (8/1/23)

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AN ACT

To amend and reenact R.S. 22:1973(F) and to enact R.S. 22:1892(H), relative to the Louisiana Citizens Property Insurance; to provide the Louisiana Citizens Property Insurance Corporation shall not be liable for any special damages awarded for a property damage insurance claim; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 22:1973(F) is hereby amended and reenacted and R.S. 22:1892(H) is hereby enacted to read as follows:

§1973. Good faith duty; claims settlement practices; cause of action; penalties

* * *

F. The Insurance Guaranty Association Fund, as provided in R.S. 22:2051 et seq., and the Louisiana Citizens Property Insurance Corporation, as provided in R.S. 22:2291 et seq. shall not be liable for any special damages awarded under the provisions of this Section.

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§1892. Payment and adjustment of claims, policies other than life and health and accident; vehicle damage claims; extension of time to respond to

1 claims during

2 * * *

3 **H. The Louisiana Citizens Property Insurance Corporation, as provided**
4 **in R.S. 22:2291 et seq., shall not be liable for any special damages awarded**
5 **under the provisions of Subsection B of this Section.**

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Beth O'Quin.

DIGEST

SB 38 Original 2023 Regular Session Talbot

Present law exempts the Insurance Guaranty Association Fund from liability for special damages awarded for a property damage insurance claim under present law.

Proposed law retains present law but adds the Louisiana Citizens Property Insurance Corporation (Citizens) to the exemption.

Present law provides an insurer is subject to penalties, attorney fees, and cost when a property damage insurance claim is not paid within the time periods set forth by law and the insurer's failure to pay was arbitrary, capricious, or without probable cause.

Proposed law retains present law but provides Citizens cannot be liable for special damages awarded for a property damage insurance claim under present law.

Effective August 1, 2023.

(Amends R.S. 22:1973(F); adds R.S. 22:1892(H))