

Regular Session, 2012

HOUSE BILL NO. 492

BY REPRESENTATIVE HUVAL

INSURANCE/PROPERTY: Provides relative to reinstatement of property insurance policies

1 AN ACT

2 To amend and reenact R.S. 22:887(I), relative to property insurance policies; to provide
3 relative to notices of reinstatement of certain such policies; and to provide for related
4 matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 22:887(I) is hereby amended and reenacted to read as follows:

7 §887. Cancellation by insurer; changes to homeowner's insurance policies

8 * * *

9 I. Any insurer that issues notice of cancellation ~~of an automobile on an~~
10 insurance policy that provides coverage on any property that is subject of a
11 mortgage, lien, or other collateral and later continues or reinstates that insurance
12 policy shall issue notice of reinstatement to every policyholder, insurance producer,
13 mortgagee, lienholder, pledgee, or other known person shown by the policy to have
14 an interest in any loss which may occur thereunder and who received the notice of
15 cancellation.

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)]

Huval

HB No. 492

Abstract: Requires persons, including a lienholder, with an interest in loss of any property that is subject of a mortgage, lien, or other collateral to be notified of reinstatement of a policy covering that property.

Present law requires any insurer that issues notice of cancellation of an automobile insurance policy and later continues or reinstates that policy to issue notice of reinstatement to every policyholder, insurance producer, mortgagee, pledgee, or other known person shown by the policy to have an interest in any loss which may occur thereunder and who received the notice of cancellation.

Proposed law expands application of present law to an insurance policy that provides coverage on any property that is subject of a mortgage, lien, or other collateral. Also specifies a lienholder as one of the persons to be notified of reinstatement.

(Amends R.S. 22:887(I))