
DIGEST

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HB 951 Original

2022 Regular Session

Jordan

Abstract: Requires automobile liability insurance policies include uninsured motorist coverage.

Present law provides that automobile liability insurance covering liability arising out of the ownership, maintenance, or use of any motor vehicle shall provide coverage in not less than the limits of bodily injury liability for protection of persons insured thereunder who are entitled to recover nonpunitive damages from owners or operators of uninsured or underinsured motor vehicles, unless the named insured rejects the coverage, selects lower limits but not less than the minimum liability limits required in present law (R.S. 32:900), or selects economic-only coverage.

Present law provides that insurers may make available, at a reduced premium, uninsured motorist coverage with an exclusion for all noneconomic loss. This coverage is known as "economic-only" uninsured motorist coverage.

Present law provides that noneconomic loss means any loss other than economic loss and includes but is not limited to pain, suffering, inconvenience, mental anguish, and other noneconomic damages otherwise recoverable under the laws of this state.

Proposed law provides that automobile liability insurance provided for in present law shall include uninsured motorist coverage as provided in present law.

Proposed law repeals the option in present law for a named insured to reject uninsured motorist coverage or select economic-only coverage.

Present law provides that if an insured rejects uninsured motorist coverage, selects a limit lower than bodily injury liability, or selects economic-only coverage, the selection shall be made on a form prescribed by the commissioner, which shall be considered a part of the policy. Proposed law provides that the insured may thereafter change his uninsured motorist coverage selection by submitting a new selection form to the insurer on the form prescribed by the commissioner.

Proposed law repeals present law.

Present law provides that uninsured motorist coverage shall apply to any liability insurance covering any accident which occurs in this state and involves a resident of this state.

Present law provides that an automobile liability policy written to provide coverage for a school bus may limit the scope of uninsured motorist liability to only provide liability coverage for damages

incurred by reason of an accident or incident involving the school bus, or a temporary substitute vehicle, and such limitation shall limit the uninsured motorist coverage of a named insured in the policy to only damages incurred by reason of such accident or incident.

Proposed law retains and recodifies present law.

Present law provides that unless the named insured has rejected uninsured motorist coverage, an insurer issuing an automobile liability policy that does not afford collision coverage shall, at the written request of a named insured, provide coverage in the amount of the actual cash value of such motor vehicle or the minimum amount of property damage liability insurance required by present law (R.S. 32:851 et seq.), whichever is less.

Proposed law applies present law to all uninsured motorist coverage policies.

Present law defines "uninsured motor vehicle" for the purposes of present law.

Proposed law retains and makes technical changes to present law.

(Amends R.S. 22:1295(1)(a) and (d)(intro. para.) and (2))