

Regular Session, 2014

HOUSE BILL NO. 820

BY REPRESENTATIVE HUVAL

INSURANCE/FIRE-CASUALTY: Clarifies that the valued policy clause provisions apply to all policies providing fire coverage

1 AN ACT

2 To amend and reenact R.S. 22:1318(D), relative to fire insurance policies; to define "fire
3 insurance policy"; and to provide for related matters.

4 Be it enacted by the Legislature of Louisiana:

5 Section 1. R.S. 22:1318(D) is hereby amended and reenacted to read as follows:

6 §1318. Valued policy clause; exceptions

7 * * *

8 D. This Section shall ~~only apply~~ apply only to policies issued or renewed
9 after January 1, 1992, and shall not apply to a loss covered by a blanket-form policy
10 of insurance ~~nor to a loss covered by a builders risk policy of insurance~~. As used in
11 this Section, the term "fire insurance policy" shall mean any property insurance
12 policy, with the exception of builders risk policies of insurance, that provides
13 coverage for the peril of fire, regardless of any other coverage provided by the
14 policy.

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. 820

Abstract: Defines "fire insurance policy" as any property insurance policy that provides coverage against loss caused by fire, regardless of the other coverages provided by the policy.

Present law provides, with respect to fire insurance policies, that if an insurer places a valuation on the covered property and uses that valuation to determine the premium charge, the insurer shall compensate any covered loss at that valuation.

Present law provides that provisions relative to valued policy clauses apply to policies issued or renewed after Jan. 1, 1992, and do not apply to a loss covered by a blanket-form policy of insurance.

Proposed law provides that provisions relative to valued policy clauses apply to any property insurance policy that provides coverage for a loss caused by fire.

(Amends R.S. 22:1318(D))

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Insurance to the original bill.

1. Restored present law provisions excepting blanket-form policy insurance losses from present law.

House Floor Amendments to the engrossed bill.

1. Made technical changes.