
best value among comparable coverage in accordance with R.S. 22:1214.

(2) Policyholders shall have the right to insurance advertising that is not false and other selling approaches that provide accurate and balanced information on the benefits and limitations of a policy in accordance with R. S. 22:1214.

(3) Policyholders shall have the right to an insurance company that is financially stable.

(4) Policyholders shall have the right to be treated fairly and be free from unfair or deceptive acts or practices in accordance with R.S. 22:1211 et seq.

(5) Policyholders shall have the right to receive service from competent, honest insurance producers that will answer their questions promptly.

(6) Policyholders shall have the right to receive the appropriate disclosure form as an insert in the front of the policy that complies with R. S. 36:696 and R.S. 22:1477.

(7) Policyholders shall have the right to balanced and positive regulation by the Department of Insurance.

(8) Policyholders shall have the right to check the license status of an insurance company, producer, or adjuster.

(9) Policyholders shall have the right to receive written notice of cancellation or nonrenewal at least thirty days prior to the effective date of the cancellation or nonrenewal, unless the cancellation or nonrenewal is for non-payment of premium and shall have the right to protection from improper cancellation or nonrenewal in accordance with R.S. 22:635.3 and 636. 2.

(10) Policyholders shall have the right to receive in writing the reason for any cancellation or nonrenewal of coverage. The written statement must provide an explanation for the cancellation or nonrenewal of coverage.

(11) Policyholders shall have the right to cancel their policy and receive a refund of any unearned premium. If a policy was funded by a premium finance company, the unearned premium will be returned to the premium finance company to pay toward the policyholder's financing loan.

(12) Policyholders shall have the right to a written notification detailing any change in policy provisions at renewal.

(13) Policyholders shall have the right to receive payment of the amount of any property damage claim, or a portion of the claim, due or a written offer to settle any property damage claim within thirty days after receipt of satisfactory proof of loss in accordance with R.S. 22:658 and R.S. 22:1220. If a claim is denied, policyholders shall have the right to receive a written explanation as to the reason for denial, in whole or in part, of any claim made under their policy of insurance.

(14) Relative to first party property damage claims, policyholders shall have the right to request and receive from the insurance company any estimates, bids, plans, measurements, drawings, engineer reports, contractor reports, statements or documents that are not legally privileged that the insurance company prepared, had prepared, or used during its adjustment of the policyholder's claim. A company may keep confidential adjuster notes, logs, and any documents prepared in conjunction with a fraud investigation.

(15) Policyholders shall have the right to file a complaint against any insurance company, producer, or adjuster with the Department of Insurance, and have that complaint investigated by the department.

§635. Renewal of policy; increase in premiums prohibited

A. Any insurance policy terminating by its terms at a specified expiration date and not otherwise renewable may be renewed or extended at the option of the insurer and upon a currently authorized renewal form and at the premium rate then required therefor for a specific additional period or periods by a certificate or by endorsement of the policy, and without requiring the issuance of a new policy.

B. No insurer shall increase the premium charged for an automobile liability insurance policy at the time of renewal for any insured solely on the grounds that the insured's policy has lapsed provided the policy is renewed within ten days after the date of termination.

§ 635.3. Homeowner's insurance; insurer's nonrenewal without cause; inclusion in insured's file prohibited

A. Whenever a policy of homeowner's insurance is not renewed by the insurer and such nonrenewal is without cause, the fact of such nonrenewal shall not be retained in the insured's file with that insurer. Such nonrenewal shall not be considered a cancellation or nonrenewal for cause. The insurer shall not utilize such nonrenewal as a reason for an increase in the insured's rate for equivalent coverage to that which was not renewed.

B. In this Section, nonrenewal "without cause" shall not include nonrenewal by the insurer for any of the following reasons:

(1) Nonrenewal at the request of the insured;

(2) Failure of the insured to pay the agreed premium;

(3) Fraud on the part of the insured; or

(4) Material misrepresentation of a material fact in application for a new policy or for renewal of an existing policy.

C. No insurer providing property, casualty, or liability insurance shall cancel or fail to renew a homeowner's policy of

(16) Policyholders shall have the right to a readable policy, to receive a complete property insurance policy, and to request a duplicate or replacement policy as needed.

(17) Policyholders shall have the right to the remedies provided for in R.S. 22:658 if an insurer violates that Section in the handling of the claim. [Emphasis added.]

This statute, which was added by Acts 2007, No. 222, has no substantive effect or application by its literal terms.

insurance or to increase the policy deductible that has been in effect and renewed for more than three years unless based on nonpayment of premium, fraud of the insured, a material change in the risk being insured, two or more claims within a period of three years, or if continuation of such policy endangers the solvency of the insurer. This Subsection shall not apply to an insurer that ceases writing homeowner's insurance or to policy deductibles increased for all homeowners policies in the state.

§ 636. Cancellation by insurer

A. Cancellation by the insurer of any policy which by its terms is cancelable at the option of the insurer, or of any binder based on such policy, may be effected as to any interest only upon compliance with either or both of the following:

(1)(a) Written notice of such cancellation must be actually delivered or mailed to the insured or to his representative in charge of the subject of the insurance not less than thirty days prior to the effective date of the cancellation except when termination of coverage is for nonpayment of premium.

(b) Upon the written request of the named insured, the insurer shall provide to the insured in writing the reasons for cancellation of the policy. There shall be no liability on the part of and no cause of action of any nature shall arise against any insurer or its agents, employees, or representatives for any action taken by them to provide the reasons for cancellation as required by this Subparagraph.

(2) Like notice must also be so delivered or mailed to each mortgagee, pledgee, or other known person shown by the policy to have an interest in any loss which may occur thereunder. For purposes of this Paragraph "delivered" includes electronic transmittal, facsimile, or personal delivery.

(3) Where written notice of cancellation or nonrenewal is required and the insurer elects to mail the notice, the running of the time period between the date of mailing and the effective date of termination of coverage shall commence upon the date of mailing.

(4) Any policy may be cancelled by the company at any time during the policy period for failure to pay any premium when due whether such premium is payable directly to the company or its agent or indirectly under a premium finance plan or extension of credit, by mailing or delivering to the insured written notice stating when, not less than ten days thereafter, such cancellation shall be effective. Nothing in this Code shall mandate a separate notice of lapse for nonpayment of premium of a policy defined as provided by R.S. 22:1405(G).

B. The mailing of any such notice shall be effected by depositing it in a sealed envelope, directed to the addressee at his last

address as known to the insurer or as shown by the insurer's records, with proper prepaid postage affixed, in a letter depository of the United States Post Office. The insurer shall retain in its records any such item so mailed, together with its envelope, which was returned by the Post Office upon failure to find, or deliver the mailing to the addressee.

C. The affidavit of the individual making or supervising such a mailing, shall constitute prima facie evidence of such facts of the mailing as are therein affirmed.

D. (1) The portion of any premium paid to the insurer on account of the policy, including unearned commission, unearned because of the cancellation and in amount as computed on the pro rata basis, must be actually paid to the insured, the agent of the insured, or other person entitled thereto as shown by the policy or by any endorsement thereon, or be mailed to the insured or such person as soon as practicable following such cancellation. Any such payment may be made by cash, or by check, bank draft, or money order.

(2) When payment is sent to the agent of the insured, the insurer shall be required to provide notice to the insured, at the time of cancellation, that a return of unearned premium may be generated by the cancellation.

E. This Section shall not apply to temporary life insurance binders nor to contracts of life or health and accident insurance which do not contain a provision for cancellation prior to the date to which premiums have been paid, nor to the contracts provided in Part XV of this Chapter.

F. No insurer shall cancel or refuse to renew any policy of group or family group health and accident insurance except for nonpayment of premium or failure to meet the requirements for being a group or family group insurance policy until sixty days after the insurer has mailed written notice of such cancellation or nonrenewal by certified mail to the policyholder. The notice shall also include the reason the policy is being cancelled.

G. (1) No insurer shall fail to renew a policy providing property or casualty insurance unless a notice of intention to not renew is mailed or delivered to the named insured at the address shown on the policy at least thirty days prior to the effective date of nonrenewal.

(2) Like notice shall also be delivered or mailed to each mortgagee, pledgee, or other known person shown by the policy to have an interest in any loss which may occur thereunder. For purposes of this Paragraph, "delivered" includes electronic transmittal, facsimile, or personal delivery.

(3) This Subsection shall not apply:

(a) To policies regulated by R.S. 22:636.1 and 636.4.

(b) If the insurer has manifested its willingness to renew the policy either through the same company or a company in the same group of companies.

(c) In the case of nonpayment of the premium.

(d) If the named insured has provided written notification to the insurer of the insured's intention to not renew the policy.

(e) In cases of fraud by the insured.

H. Notice of cancellation or nonrenewal given by the insurer in accordance with this Chapter shall be deemed sufficient. The insurance producer, insurance agent, or insurance broker shall not be required to give any separate or additional notice of cancellation or nonrenewal.

§ 636.1 Automobile, property, casualty, and liability insurance policies; cancellations

A. As used in this Chapter:

(1) "Policy" means an automobile liability, automobile physical damage, or automobile collision policy, or any combination thereof, delivered or issued for delivery in this state, or any binder based on such a policy, insuring a single individual or husband and wife resident of the same household, as named insured, and under which the insured vehicles therein designated are of the following types only:

(a) A motor vehicle of the private passenger or station wagon type that is not used as a public or livery conveyance for passengers, nor rented to others; or

(b) Any other four-wheel motor vehicle with a load capacity of fifteen hundred pounds or less which is not used in the occupation, profession or business of the insured; provided, however, that this shall not apply (1) to any policy issued under an automobile assigned risk plan, or (2) to any policy insuring more than four automobiles, or (3) to any policy covering garage, automobile sales agency, repair shop, service station or public parking place operation hazards.

(2) "Automobile liability coverage" includes only coverages of bodily injury and property damage liability, medical payments and uninsured motorists coverage.

(3) "Automobile physical damage coverage" includes all coverage of loss or damage to an automobile insured under the policy except loss or damage resulting from collision or upset.

(4) "Automobile collision coverage" includes all coverage of loss or damage to an automobile insured under the policy resulting from collision or upset.

(5) "Renewal" or "to renew" means the issuance and delivery by an insurer of a policy replacing at the end of the policy period a policy previously issued and delivered by the same insurer, or the issuance and delivery of a certificate or notice extending the term of a policy beyond its policy period or term. However, no policy of insurance for a period of less than six months shall be issued by an insurer to any person who has been issued two or more citations for violations of R.S. 32:851 et seq. or R.S. 32:861 et seq., and any policy issued to a person receiving two or more citations shall be considered as if written for a policy period or term of six months. Any policy which is written for a term longer than one year or any policy which is renewed by an insurer shall be for the same term as the original or expired policy, or any policy with no fixed expiration date shall for the purpose of this Chapter be considered as if written for successive policy periods or terms of one year. Such a policy may be terminated at the expiration of any annual period upon giving twenty days notice of cancellation prior to such anniversary date. This cancellation shall not be subject to any other provisions of this Chapter.

(6) "Nonpayment of premium" means failure of the named insured to discharge when due any of his obligations in connection with the payment of premiums on a policy, or any installment of such premium, whether the premium is payable directly to the insurer or its agent or indirectly under any premium finance plan or extension of credit.

B. (1) A notice of cancellation of a policy shall be effective only if it is based on one or more of the following reasons:

(a) Nonpayment of premium.

(b) The driver's license or motor vehicle registration of the named insured or of any other operator who either resides in the same household or customarily operates an automobile insured under the policy has been under suspension or revocation during the policy period, or, if the policy is a renewal, during its policy period or the one hundred eighty days immediately preceding its effective date.

(c) Fraud or material misrepresentation in the presentation of a claim.

(d) Nonreceipt by the insurer of an application for insurance in which a valid binder has been issued.

(2) This Subsection shall not apply to nonrenewal or to any policy or coverage which has been in effect less than sixty days at the time notice of cancellation is mailed or delivered by the insurer unless it is a renewal policy. After an insurer has paid and satisfied an insured's third physical damage claim, the modification of such

insured's automobile physical damage coverage by the inclusion of a deductible not exceeding fifty dollars shall not be deemed a cancellation of the coverage or of the policy.

C. No insurer shall cancel or fail to renew a policy purely because of age. Some legitimate reason, such as physical or mental infirmity, must be specified before an insurer may cancel or refuse to renew a policy.

D. (1) No notice of cancellation of a policy to which Subsection B or C of this Section applies shall be effective unless mailed by certified mail or delivered by the insurer to the named insured at least thirty days prior to the effective date of cancellation; however, when cancellation is for nonpayment of premium at least ten days notice of cancellation accompanied by the reason therefor shall be given. In the event of nonpayment of premiums for a binder, a ten day notice of cancellation shall be required before the cancellation shall be effective. Notice of cancellation for nonpayment of premiums shall not be required to be sent by certified mail. Unless the reason accompanies the notice of cancellation, the notice of cancellation shall state or be accompanied by a statement that upon written request of the named insured, mailed or delivered to the insurer within six months after the effective date of cancellation, the insurer will specify the reason for such cancellation. This Subsection shall not apply to nonrenewal.

(2) There shall be no liability on the part of and no cause of action of any nature shall arise against any insurer or its agents, employees, or representatives for any action taken by them to provide the reasons for cancellation as required by this Subsection.

(3)(a)(i) Payment of an initial, renewal, or installment insurance premium by the insured to an insurer or an insurance agent with a check or other negotiable instrument which is returned to the payee by the institution upon which it is drawn for insufficient funds available in the account, for lack of credit, for the reason the account is closed, for stopped payment, or for any other reason shall be deemed grounds for the insurer to cancel the binder or policy from the date the premium payment was due for the initial or renewal term, whichever is applicable.

(ii) The provisions of this Paragraph shall apply to automobile liability policies and to property, casualty, and liability policies.

(b)(i) The insurance agent shall immediately, and in no case later than ten days after the agent or premium finance company has received notice of the returned check or negotiable instrument, notify the insurer of the receipt of the returned check or negotiable instrument.

(ii) The insurer shall immediately, and in no case later than ten days after the agent or premium finance company has notified

the insurer, notify the named insured, by certified mail or delivering to the named insured a written notice that the policy is canceled from the date the premium payment was due. The insurer shall advise the named insured that the policy shall be reinstated effective from the date the premium payment was due for the term of the policy only if the named insured or his legal representative presents to the insurer a cashier's check or money order for the full amount of the returned check or other negotiable instrument within ten days of the date that the notice of cancellation was mailed.

(c) Upon expiration of the ten-day period, either:

(i) The insurer shall reinstate the insured's policy, from the date that the premium was due, and shall pay directly to the insurance agent all funds paid to the insurer by the insured or his legal representative to replace the dishonored check or other negotiable instrument; or

(ii) Cancellation of the policy shall remain effective, when the insured or his legal representative has failed to redeem the dishonored check or other negotiable instrument before expiration of the ten-day period.

(d)(i) Within ten days of the expiration of the ten-day notice the insurer shall return all funds paid by the insurance agent to the insurer on behalf of the insured except when an insurance premium finance company has funded an insured's policy, the insurer shall return those funds directly to the insurance premium finance company. These funds shall be returned by check or other negotiable instrument and shall not be placed on the agent's or premium finance company's account current unless the agent or premium finance company and the insurer have agreed to other methods for handling these funds. Funds received by the insurance premium finance company in excess of the amount funded by the insurance premium finance company shall be forwarded to the insurance agent.

(ii) The original or a copy of the returned dishonored check or negotiable instrument, front and back, mailed or faxed, to the insurance company shall be proof of the returned dishonored check or negotiable instrument by the financial institution and shall be considered sufficient evidence in any future litigation.

(iii) When an insured pays the dishonored check by delivery to the agent of cash or a certified check, the agent shall notify the insurer within ten days of the payment of the dishonored check.

(e) In the event the policy has been canceled back to the date of inception or premium payment due in accordance with this Paragraph, the sixty-day periods referred to in R.S. 9:3550(H) and R.S. 22:636(F) shall not apply. The funds shall be returned by the insurer by check within ten days of the expiration of the ten-day notice of cancellation.

(4)(a) In the event that an agent, broker, surplus lines insurance broker, or insurance solicitor incorrectly states the premium amount for the automobile liability policy, the insured may cancel the policy and shall be returned the initial payment of premium, including fees and costs, less the prorated cost for the period of time of coverage at the initial stated premium, including fees and costs, and may cancel the insurance coverage, without penalty or loss of coverage, for the period of time that the premium, including fees and costs, was paid.

(b) When an insurance premium finance company has funded an insured's policy and the policy is cancelled, the insurer shall return the funds directly to the insurance premium finance company. Any funds received by the insurance premium finance company in excess of the amount owed to the insurance premium finance company by the insured shall be forwarded to the insurance agent to be returned to the insured. The insurer shall not withhold any more funds from the insurance premium finance company than would otherwise be withheld from the insured. No insurer shall assess a service charge for this transaction.

E. (1) No insurer shall fail to renew a policy unless it shall mail or deliver to the named insured, at the address shown in the policy, at least twenty days advance notice of its intention not to renew. This Subsection shall not apply:

(a) If the insurer has manifested its willingness to renew.

(b) In case of nonpayment of premium; provided that, notwithstanding the failure of an insurer to comply with this Subsection, the policy shall terminate on the effective date of any other insurance policy with respect to any automobile designated in both policies.

(c) If the insurer or a company within the same group as the insurer has offered to issue a renewal policy to the named insured.

(d) If the named insured has provided written notification to the insurer of the insured's intention not to renew the policy.

(2) Renewal of a policy shall not constitute a waiver or estoppel with respect to grounds for cancellation which existed before the effective date of such renewal.

(3) Upon the written request of the named insured, the insurer shall provide to the insured in writing the reasons for nonrenewal of the policy. There shall be no liability on the part of and no cause of action of any nature shall arise against any insurer or its agents, employees, or representatives for any action taken by them to provide the reasons for nonrenewal as required by this Paragraph.

F. Proof of mailing of notice of cancellation, or of intention not to renew or of reasons for cancellation, to the named

insured at the address shown in the policy, shall be sufficient proof of notice.

G. When a policy of automobile liability insurance is cancelled, other than for nonpayment of premium, or in the event of failure to renew a policy of automobile liability insurance to which Subsection D applies, the insurer shall notify the named insured of his possible eligibility for automobile liability insurance through the automobile liability assigned risk plan. Such notice shall accompany or be included in the notice of cancellation or the notice of intent not to renew.

I. There shall be no liability on the part of and no cause of action of any nature shall arise against the commissioner of insurance or against any insurer, its authorized representative, its agents, its employees, or any firm, person or corporation furnishing to the insurer information as to reasons for cancellation, for any statement made by any of them in any written notice of cancellation, or in any other communication, oral or written specifying the reasons for cancellation, or the providing of information pertaining thereto, or for statements made or evidence submitted at any hearings conducted in connection therewith.

J. Where written notice of cancellation or nonrenewal is required and the insurer elects to mail the notice, the running of the time period between the date of mailing and the effective date of termination of coverage shall commence upon the date of mailing.

K. No insurer shall cancel an automobile insurance policy written or issued for delivery in this state belonging to an insured over the age of sixty-five based upon the age of the insured provided the insured is mentally and physically capable of driving an automobile and possesses a valid Louisiana operator's license issued by the office of motor vehicles in the Louisiana Department of Public Safety and Corrections.

L. No insurer shall cancel an automobile insurance policy for any insured solely on the ground that the insured has submitted a single claim under his or her policy for damage incurred or arising from the operation of an automobile. The provisions of this Subsection shall not prohibit an insurer from increasing the cost of the insured's premium based on the number of claims submitted under his or her policy for damage incurred or arising from the operation of an automobile. For the purposes of this Subsection, an incident shall be deemed a claim only when there is a demand for payment under the terms of the policy. A report of loss or a question relating to coverage shall not independently establish a claim.

§ 636.2. Property, casualty, and liability insurance policies; cancellation and nonrenewal provisions; nonrenewal for rate inadequacy; certain prohibitions

A. (1) Any insurer cancelling or refusing to renew a policy providing property, casualty, or liability insurance on any property shall, upon written request of the named insured therein, mailed or delivered to the insurer within six months after the effective date of cancellation or expiration, specify in writing the reason or reasons for such cancellation or refusal to renew.

(2) There shall be no liability on the part of and no cause of action of any nature shall arise against any insurer or its agents, employees, or representatives for any action taken by them to provide the reasons for cancellation as required by this Subsection.

(3) Any nonrenewal for which the reason, in whole or in part, is inadequacy or insufficiency of the rate or premium for coverage shall be permitted only after the insurer has sought actuarially [sic] justified rate relief from the Louisiana Insurance Rating Commission² and such rate relief has been rejected by the commission.³

B. There shall be no liability on the part of and no cause of action of any nature shall arise against the commissioner of insurance or against any insurer, its authorized representative, its agents, its employees, or any firm, person or corporation furnishing to the insurer information as to reasons for cancellation or refusal to renew, or in any other communication, oral or written, specifying the reasons for cancellation or refusal to renew, or the providing of information pertaining thereto, or for statements made or evidence submitted at any hearings conducted in connection therewith.

C. No insurer providing property, casualty, or liability insurance shall cancel or refuse to issue or fail to renew a homeowner's policy solely on the basis that the insured owns or possesses an all-terrain vehicle (ATV). The provisions of this

² Sections 4 of Acts 2007, No. 459 provides:

Section 4. Except as provided in this Act, the Louisiana State Law Institute is hereby authorized and requested to change all references in the Louisiana Revised Statutes of 1950 to the Louisiana Insurance Rating Commission, whether referred to as the "Louisiana Insurance Rating Commission", "Insurance Rating Commission", "rating commission", or "commission", to the commissioner of insurance. Except as provided in this Act, the Louisiana State Law Institute is hereby further authorized and requested to change all other references in the Louisiana Revised Statutes of 1950 to the office of property and casualty, whether referred to as the "office of property and casualty of the Department of Insurance", "office of property and casualty", or "office", to the commissioner of insurance, with the exception of R.S. 22:8(A) and R.S. 36:688.

Pursuant to § 4 of Acts 2007, No. 459 and the statutory revision authority of the Louisiana State Law Institute, "commissioner of insurance" was substituted for "Louisiana Insurance Rating Commission", and "rejected by the commissioner" was substituted for "rejected by the commission" in par. (A)(3).

³ *Id.*, footnote 2.

Subsection shall not prohibit an insurer providing property, casualty, or liability insurance from specifically excluding coverage for damage incurred or arising from the operation of an all-terrain vehicle.

D. No insurer providing property, casualty, or liability insurance shall cancel or fail to renew a homeowner's policy of insurance or to increase the policy deductible that has been in effect and renewed for more than three years unless based on nonpayment of premium, fraud of the insured, a material change in the risk being insured, two or more claims within a period of three years, or if continuation of such policy endangers the solvency of the insurer. This Subsection shall not apply to an insurer that ceases writing homeowner's insurance or to policy deductibles increased for all homeowners' policies in the state. For the purposes of this Subsection, an incident shall be deemed a claim only when there is a demand for payment by the insured or the insured's representative under the terms of the policy. A report of a loss or a question relating to coverage shall not independently establish a claim.

§ 636.6. Homeowner's insurance; cancellation, nonrenewal

A. An insurer that has issued a policy of homeowner's insurance shall not fail to renew the policy unless it has mailed or delivered to the named insured, at the address shown in the policy, written notice of its intention not to renew. The notice of nonrenewal shall be mailed or delivered at least thirty days before the expiration date of the policy. If the notice is mailed less than thirty days before expiration, coverage shall remain in effect under the terms and conditions until thirty days after the notice is mailed or delivered. Any earned premium for the period of coverage extended beyond the expiration date shall be considered pro rata based upon the rate of the previous year.

B. The notice of nonrenewal shall not be required if the insurer or a company within the same insurance group has offered to issue a renewal policy, or if the named insured has provided written notification to the insurer of the intention of the insured not to renew.

Reading all of these quoted statutes *in pari materia* or individually, I find no provision that indicates that State Farm did not properly nonrenew *according to law* Mr. Collins' homeowner's policy of insurance. The notice of nonrenewal was transmitted to Mr. Collins and his mortgagees more than thirty days before the policy was to expire for nonrenewal. Nothing in the statute requires that Mr. Collins or the mortgagees receive notice of the

notice of the nonrenewal. The jurisprudence cited by the majority addressing non-receipt by the insured relates to an earlier day before many of the above cited statutes were even in effect. The case law is obsolete and the majority's reliance thereon is, in my view, misplaced. No genuine issue of material fact exists. Summary judgment was properly granted by the trial court. La. C.C.P. arts. 966 and 967.