

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 35** SLS 18RS 300

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: March 13, 2018 3:45 PM	Author: SMITH, J.
Dept./Agy.: LA Dept. of Insurance	Analyst: Zachary Rau
Subject: Regulatory Authority of the Commissioner of Insurance	

INSURANCE COMMISSIONER OR SEE FISC NOTE SG RV Page 1 of 1
Provides relative to the discretion vested in the commissioner of insurance to levy fines for the violation of complaint directives. (8/1/18)

Proposed law states that persons subject to the authority of the Commissioner of Insurance may be fined up to \$250 per occurrence for failure to comply with directives issued by the Commissioner associated with consumer complaints. Present law requires persons being fined by the Commissioner of Insurance to be given 10 days notice of such action, and that they shall be entitled to an administrative hearing. Proposed law removes entitlement of an aggrieved party to a professional hearing outlined in present law.

EXPENDITURES	2018-19	2019-20	2020-21	2021-22	2022-23	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2018-19	2019-20	2020-21	2021-22	2022-23	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total						

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. Proposed law removes a person's entitlement to an administrative hearing if fined by the Commissioner of Insurance in LA R.S. 22:1995, however entitlement to an administrative hearing will remain in present law under LA R.S. 22:2191(A)(2).

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure. Proposed law makes technical changes regarding the Commissioner of Insurance's ability to levy of certain fines against entities regulated by the LA Dept. of Insurance (LDI). However, the proposed law does not change fine amounts and is not anticipated to impact SGR collections for LDI.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux
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