

Regular Session, 2012

HOUSE BILL NO. 625

BY REPRESENTATIVE ST. GERMAIN

INSURANCE: Provides with respect to the assessments against insurers

1 AN ACT

2 To amend and reenact R.S. 22:1476(A)(2), relative to the dedication of assessments paid by
3 certain insurers; to increase the dedication to the Municipal Fire and Police Civil
4 Service Operating Fund; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 22:1476(A)(2) is hereby amended and reenacted to read as follows:

7 §1476. Assessments against insurers; dedications

8 A.

9 * * *

10 (2) An amount equal to two and ~~one-fourth~~ three-fourths hundredths of one
11 percent of the gross direct premiums received in this state, in the preceding year; two
12 and ~~thirty-seven~~ eighty-eight hundredths of one percent of the direct gross premiums
13 received in this state, in the year ~~2001~~ 2014; and ~~two and one-half~~ three hundredths
14 of one percent of the direct gross premiums received in the state, in the year ~~2003~~
15 2016 and every year thereafter by insurers doing business in this state and subject to
16 this Subpart, less returned premiums shall be deposited by the commissioner of
17 insurance, subject to the approval of the commissioner of administration, with the
18 state treasurer to be credited to a special fund created in the state treasury entitled the
19 Municipal Fire and Police Civil Service Operating Fund, hereinafter known as the
20 "fund". Subject to an annual appropriation by the legislature pursuant to the
21 provisions of R.S. 33:2480 and 2540, monies in the fund shall be used solely to

1 support the operations of the office of state examiner, Municipal Fire and Police
 2 Civil Service. Monies in the fund shall be invested by the treasurer in the same
 3 manner as monies in the state general fund and interest earned on investment of these
 4 monies shall be credited to the state general fund. All unexpended and
 5 unencumbered monies in the fund at the end of the fiscal year shall revert to the state
 6 general fund.

7 * * *

8 Section 2. This Act shall become effective on July 1, 2012; if vetoed by the governor
 9 and subsequently approved by the legislature, this Act shall become effective on July 1,
 10 2012, or on the day following such approval by the legislature, whichever is later.

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)]

St. Germain

HB No. 625

Abstract: Incrementally increases the portion of the assessment paid by insurers that will be allocated to the Municipal Fire and Police Civil Service Operating Fund.

Present law requires the commissioner of insurance to levy an assessment, in an amount proportionate to the amount of premiums collected in a particular year, against certain insurers in the state. Further makes provisions for the amounts to be dedicated to the Municipal Fire and Police Civil Service Operating Fund.

Proposed law increases the amount dedicated to the Municipal Fire and Police Civil Service Operating Fund from two and one-fourth hundredths of 1% of the gross direct premiums received in the year 1998; two and thirty-seven hundredths of 1% of the direct gross premiums received in the year 2001; and two and one-half hundredths of 1% of the direct gross premium received in the year 2003 and each following year, to two and three-fourths hundredths of 1% of the premium received in 2011; two and eighty-eight hundredths of 1% of the premiums received in the year 2014; and three hundredths of 1% of the premium received in the year 2016 and each of the following years.

Present law provides that the commissioner of insurance shall deposit the amounts to be dedicated with the state treasurer.

Proposed law provides that such deposit shall be subject to the approval of the commissioner of administration.

Effective on July 1, 2012.

(Amends R.S. 22:1476(A)(2))

Summary of Amendments Adopted by House

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

1. Requires approval by the commissioner of administration of the deposit into the Municipal Fire and Police Civil Service Operating Fund.