

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 179** SLS 21RS 405

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 27, 2021	9:39 AM	Author: CONNICK
Dept./Agy.: Insurance		Analyst: Patrice Thomas
Subject: Transportation Network Drivers		

INSURANCE POLICIES OR NO IMPACT See Note Page 1 of 1
Provides with respect to uninsured motorist coverage limits for transportation network drivers. (8/1/21)

Proposed law prohibits a transportation network company from rejecting uninsured motorist coverage, selecting lower limits, or selecting economic-only coverage for its drivers during the pre-trip acceptance or the prearranged ride periods. Proposed law requires a transportation network company to provide a minimum of uninsured motorist coverage during the pre-trip acceptance period of not less than \$50,000 for death and bodily injury per person, not less than \$100,000 for death and bodily injury per incident, and not less than \$25,000 for property damage as well as requires uninsured motorist coverage during the prearranged ride period in an amount of not less than \$1 M for death, bodily injury, and property damage. Proposed law effective 8/01/2021.

EXPENDITURES	2021-22	2022-23	2023-24	2024-25	2025-26	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	2021-22	2022-23	2023-24	2024-25	2025-26	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

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. The proposed law prohibits a public transportation network company from rejecting uninsured motorist coverage, selecting lower limits, or selecting economic-only coverage for its drivers. Presently, rates for a commercial uninsured motorist are filed and approved by the LA Department of Insurance (LDI). To the extent that transportation network companies do not have uninsured motorist coverage approved, the proposed legislation will increase filing with LDI. LDI reports that it is capable of handling any workload impact arising from the proposed law with existing budgetary and personnel resources.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

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}

Alan M. Boxberger
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Staff Director