

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 386** HLS 21RS 961

Bill Text Version: **ENROLLED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: June 9, 2021	10:39 AM	Author: FARNUM
Dept./Agy.: Supreme Court, Courts		Analyst: Patrice Thomas
Subject: Appointment of Special Masters in First-Party Insurance Suits		

COURTS EN SEE FISC NOTE GF EX See Note Page 1 of 1
Provides relative to appointment of special masters in certain civil actions arising within a parish included in a major disaster declaration

Proposed law provides for the appointment of one or more special masters for all causes of action related to first-party insurance property damage claims in a parish declared by the president of the United States to be subject to a major disaster declaration and certified for individual assistance under federal law. Proposed law provides for the appointment, duties, or compensation of special master or masters in any manner directed by the court. Proposed law provides that the court shall allow any party an opportunity to file a motion to opt-out of proceedings or special master can waive appointment after 1/01/2022. Proposed law provides the appointment of a special master shall terminate upon a determination by the full court of appointing judges. Under proposed law, each court with a special master must file an annual report with specific information by February 1st to the LA Supreme Court, the House Committee of Civil Law and Procedures, and the Senate Judiciary A Committee. Proposed law provides for the possibility of mandatory mediation with the goal of expedited dispute resolution using qualified neutral mediators appointed and compensated in the manner directed by the court.

EXPENDITURES	2021-22	2022-23	2023-24	2024-25	2025-26	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
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	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total						

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>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

To the extent the proposed legislation decreases the number of first-party insurance property damage claims in city, parish, or district courts, an indeterminable decrease in costs associated with judicial workload, time, and attendance (presence of judges, clerks, bailiffs, counsel, etc.) may result. The proposed law provides for the appointment of special masters or mediators for all-cause of action related to first-party insurance property damage claims in parishes that have a declared major disaster declaration by the President. The number of special masters or mediators that might be appointed as a result of the proposed law is indeterminable. The proposed law provides that special masters and mediators be compensated in a manner directed by the court. The net expenditure impact is indeterminable as the appointment of special masters and mediators is speculative and based on potential future disaster declarations. In present law, a master's compensation, "shall be reasonable, fixed by the court, and taxed as costs of court."

There is no fiscal impact on the Louisiana Department of Insurance (LDI) as a result of this measure.

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

Alan M. Boxberger
Staff Director