

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 6** HLS 17RS 431

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 28, 2017	3:04 PM	Author: HOLLIS
Dept./Agy.: Insurance		Analyst: Willis Brewer
Subject: Exempts Louisiana Residents from ACA penalties		

INSURANCE/HEALTH

EG NO IMPACT See Note

Page 1 of 1

Exempts Louisiana residents from the assessment of penalties for noncompliance with the Patient Protection and Affordable Care Act.

Proposed law exempts Louisiana residents from the penalties imposed by the Affordable Care Act for failing to obtain health insurance.

Proposed law further requires the heads of executive branch departments and agencies to request waivers from the penalty provisions of the Affordable Care Act, where applicable.

EXPENDITURES	2017-18	2018-19	2019-20	2020-21	2021-22	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	2017-18	2018-19	2019-20	2020-21	2021-22	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 because any fee imposed on Louisiana residents is collected by the federal government when residents file their tax return. The annual fee for not having insurance in 2016 is either \$695 per adult and \$347.50 per child (up to \$2,085 for a family) or 2.5% of household income above the tax return filing (whichever is greater). The annual fee is applicable only for each month a resident does not have insurance. In the event residents do not pay this fee, the IRS will hold back the amount of the fee from any future tax refunds. There are no liens, levies, or criminal penalties for failing to pay the fee.

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}

Evan Brasseaux

Evan Brasseaux
Staff Director