



LEGISLATIVE FISCAL OFFICE  
Fiscal Note

Fiscal Note On: **HB 267** HLS 18RS 732

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> April 10, 2018	6:14 PM	<b>Author:</b> ANDERS
<b>Dept./Agy.:</b> LA Dept. of Insurance		
<b>Subject:</b> Prohibited Acts for Insurers and Insurance Producers		<b>Analyst:</b> Zachary Rau

INSURANCE

EG NO IMPACT See Note

Provides relative to prohibited acts for insurers and insurance producers

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Proposed law retains present law and makes technical changes regarding prohibitions on compensation and profit distribution for insurers and insurance producers. Present law provides that prohibitions on compensation and profit distribution in present law do not apply to owners of insurance agencies licensed as a producer if the agency has complied with provisions of present law and the owners meet certain criteria, including having an insurance producer license revoked or suspended or having violated any provision of the LA Insurance Code. Proposed law repeals present law regarding violations of the LA Insurance Code. Proposed law adds exceptions to the distribution of profit for owners of insurance agencies licensed as a producer if the owner has a written waiver from the Commissioner of Insurance, or if the owner has an individual insurance producer license issued subsequent to plea any plea or conviction described 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	\$0	\$0	\$0	\$0	\$0	\$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.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$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. Proposed law provides for prohibited acts for insurers and insurance producers and the distribution of profits in certain circumstances. The LA Dept. of Insurance reports that proposed law will not impact the department’s expenditures.

REVENUE EXPLANATION

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

Senate	Dual Referral Rules	House	
<input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}		<input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}	John D. Carpenter
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}	John D. Carpenter Legislative Fiscal Officer