

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 119** SLS 22RS 413

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: March 9, 2022	4:35 PM	Author: TALBOT
Dept./Agy.: Insurance		Analyst: Patrice Thomas
Subject: Catastrophe Claims Consumer Guide		

INSURANCE CLAIMS OR NO IMPACT See Note
Provides for a catastrophe claims consumer guide. (1/1/23)

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Proposed law requires the Commissioner of Insurance/LA Department of Insurance (LDI) to publish a catastrophe claims consumer guide that informs policyholders of the property insurance claims adjustment and payment process. Proposed law requires the consumer guide to contain certain information. Proposed law requires every insurer receiving a property insurance claim arising out of a state of disaster or emergency declared by the governor to provide each claimant with the catastrophe claims consumer guide no later than the initial investigation of a claim by an adjuster. Proposed law effective January 1, 2023.

EXPENDITURES	2022-23	2023-24	2024-25	2025-26	2026-27	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	2022-23	2023-24	2024-25	2025-26	2026-27	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 requires the LA Department of Insurance (LDI) to develop and publish a catastrophe claims consumer guide that informs policyholders of the property insurance claims adjustments and payment process. Also, the proposed law requires property insurance companies to provide a copy of the catastrophe claims consumer guide to each claimant with a property insurance claim arising out of the state of disaster or emergency declared by the governor.

According to LDI, existing staff in the department will develop the catastrophe claims consumer guide utilizing existing budgetary resources. A printable version of the consumer guide will be made available on the department's website so that insurance companies and citizens have access to the guide electronically or for printing. Since the consumer guide will be available digitally on the department's website, there is no material impact on state expenditures.

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
Interim Deputy Fiscal Officer