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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Beth O'Quin.

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SB 369 Original DIGEST Bass  
2024 Regular Session

Present law provides for prohibited practices and sanctions for a person that commits insurance fraud.

Proposed law retains present law and adds venue for a matter arising out of a violation of present law may be the 19th Judicial District Court, parish of East Baton Rouge.

Present law provides prohibited practices and sanctions for a person who commits automobile insurance fraud.

Proposed law retains present law and adds venue for a matter arising out of a violation of present law may be the 19th Judicial District Court, parish of East Baton Rouge.

Present law authorizes the commissioner of insurance (commissioner) to assess an insurer a fraud assessment fee to support the costs of an investigation, enforcement, public education, public awareness, and prosecution of insurance fraud in this state.

Present law provides on or after Jan. 1, 2004, if an insurer is assessed a fraud assessment fee that exceeds five percent of the cumulative cost for the previous year, the fraud assessment fee shall be reduced by the amount of the excess proportion.

Proposed law retains present law but removes the effective date.

Present law provides the commissioner may withhold up to \$30,000 per year from the fees collected to defray the costs of collecting the fee, enforcement, and operation of the Dept. of Insurance. Present law requires the commissioner withhold \$187,000 of the fraud assessment fee to fund the Louisiana Automobile Theft and Insurance Fraud Prevention Authority (LATIFPA).

Proposed law repeals present law.

Present law requires the fraud assessment fee to be used to support the costs of an investigation, enforcement, public education, public awareness, and prosecution of insurance fraud in this state, and requires the fraud assessment fee be allocated as follows:

- (1) 75% to the insurance fraud investigation unit within the office of state police.
- (2) 15% to the Dept. of Justice for the insurance fraud support unit.
- (3) 10% to the Dept. of Insurance for the insurance fraud section.

Proposed law removes the allocation of funds by percentages and adds other state agencies can receive money from the funds collected to support the costs of an investigation, enforcement, public education, public awareness, and prosecution of insurance fraud in this state.

Present law creates the Insurance Fraud Investigation Dedicated Fund Account (account), and requires the account to be appropriated, administered, and used solely and exclusively for purposes of the fraud unit, fraud support unit, insurance fraud section, and LATIFPA.

Proposed law changes how the account is to be appropriated, administered, and used from solely to fund the purposes of the fraud unit, fraud support unit, insurance fraud section, and LATIFPA to as allocated by the commissioner.

Effective July 1, 2024.

(Amends R.S. 40:1428(A)(3) and (4) and (C); adds R.S. 22:1924(C) and 1925(D); repeals R.S. 40:1429)