



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 441** HLS 25RS 581
Bill Text Version: **ENROLLED**
Opp. Chamb. Action:

Proposed Amd.:
Sub. Bill For.:

| | | |
|------------------------------------|---------|--------------------------------|
| Date: June 4, 2025 | 7:56 PM | Author: HENRY, CHANCE |
| Dept./Agy.: Insurance | | |
| Subject: Collection of Fees | | Analyst: Anthony Shamis |

INSURANCE DEPARTMENT EN +\$5,311,560 SG RV See Note Page 1 of 1
Provides for fees collected by the commissioner of insurance

Present law allows for fees to be collected by the Louisiana Department of Insurance (LDI) relative to producers, claims adjusters, and the financial regulation of certain entities.

Proposed law increases fees relative to producers, claims adjusters, and the financial regulation of certain entities.

| EXPENDITURES | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 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 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 5 -YEAR TOTAL |
|---------------------|--------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| State Gen. Fd. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Agy. Self-Gen. | \$5,311,560 | \$19,274,950 | \$19,274,950 | \$19,274,950 | \$19,274,950 | \$82,411,360 |
| 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 | \$5,311,560 | \$19,274,950 | \$19,274,950 | \$19,274,950 | \$19,274,950 | \$82,411,360 |


EXPENDITURE EXPLANATION
There is no anticipated direct material effect on governmental expenditures as a result of this measure. Proposed law will have no fiscal impact on LDI, as it simply allows the department to increase fees relative to producers, claims adjusters, and the financial regulation of certain entities.

REVENUE EXPLANATION
LDI anticipates collecting an additional \$5,311,560 SGR in FY 26, and \$19,274,950 SGR in subsequent fiscal years based on the proposed fee increase. The projected calculation is based on the difference in actual revenue collected in FY 24 and applying the net increase for producers, claims adjusters, and annual financial regulation.

| <u>Impact FY 26 (Jan. - June):</u> | <u># of Filings</u> | <u>FY 24 Revenue</u> | <u>Proposed Revenue</u> | <u>Increase</u> |
|------------------------------------|---------------------|----------------------|-------------------------|---------------------|
| Annual Financial Regulation | 1,400 | \$ 1,400,000 | \$ 2,800,000 | \$ 1,400,000 |
| Producer License Fee | 216,090 | \$ 9,265,380 | \$12,215,590 | \$ 2,950,210 |
| Claims Adjuster Fee | 41,063 | <u>\$ 2,118,375</u> | <u>\$ 3,079,725</u> | <u>\$ 961,350</u> |
| Total: | | \$12,783,755 | \$18,095,315 | \$ 5,311,560 |

**Collections are for six months in FY 26 (January 2026 - June 2026). FY 26 collections are significantly lower than the out-years because company appointment payments (Producer/Agent Authorization) are received during July and December.*

| <u>Impact FY 27 - FY 30:</u> | <u># of Filings</u> | <u>FY 24 Revenue</u> | <u>Proposed Revenue</u> | <u>Increase</u> |
|------------------------------|---------------------|----------------------|-------------------------|---------------------|
| Annual Financial Regulation | 1,400 | \$ 1,400,000 | \$ 2,800,000 | \$ 1,400,000 |
| Producer License Fee | 1,253,897 | \$45,254,850 | \$62,002,555 | \$16,747,705 |
| Claims Adjuster Fee | 50,308 | <u>\$ 2,645,855</u> | <u>\$ 3,773,100</u> | <u>\$ 1,127,245</u> |
| Total: | | \$49,300,705 | \$68,575,655 | \$19,274,950 |

| | | | |
|------------------------------------------------------------------------------------------|----------------------------|--------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|
| <u>Senate</u> | <u>Dual Referral Rules</u> | <u>House</u> |  |
| <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} | Patrice Thomas |
| <input checked="" 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} | Deputy Fiscal Officer |