

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SCR 15** SLS 201ES 184

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

| | |
|--|------------------------------|
| Date: June 16, 2020 6:51 PM | Author: MILLS, ROBERT |
| Dept./Agy.: LA Dept. of Insurance/Judiciary | Analyst: Zachary Rau |
| Subject: Suspension of Direct Action Statutes | |

LIABILITY INSURANCE OR NO IMPACT See Note Page 1 of 1
Suspends certain provisions of law relative to direct actions against insurers. (Item #40)

Present law provides for insurers to obtain a certificate of authority, which requires them to consent to being sued by an injured person or their heirs through direction action for injuries occurring in LA. Present law provides for direction action against an insurers if one of the following applies: the insured is adjudged bankrupt by a court of competition jurisdiction, or proceedings have been commenced for such; the insured is insolvent; service of citation or other process cannot be made on the insured; the cause of action is for damages from an offense/quasi-offense between children and parents or married persons; the insurer is an uninsured motorist carrier; the insured is deceased. Proposed resolution suspends the preceding present law through the 60th day of the 2021 Regular Session.

| EXPENDITURES | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 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 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 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.

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