

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 54** SLS 21RS 129

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: May 2, 2021	5:29 PM	Author: LUNEAU
Dept./Agy.: Insurance		Analyst: Patrice Thomas
Subject: Named Storm, Hurricane, Wind/Hail Deductible Form		

INSURANCE POLICIES

EG NO IMPACT See Note

Page 1 of 1

Provides relative to hurricane, named storm, and wind and hail deductibles. (gov sig)

Proposed law requires the Commissioner of Insurance to prescribe a separate form regarding named storm, hurricane, and wind and hail deductibles for homeowner's insurance policies. Proposed law requires the separate form to list the specific amount for each deductible expressed as a percentage of the insured value of the property, or as a specific dollar amount, or as both. Under proposed law, before the effective date of the insurance policy, the separate form shall be provided by the insurer as well as signed by the insurer and the named insured or his legal representative. Proposed law requires the separate form to become a part of the homeowner's insurance policy, irrespective of whether physically attached. Proposed law requires that a new separate form shall be provided and signed by the parties before an agreement changing the amounts of any deductibles or the limits of the policy.

EXPENDITURES	2021-22	2022-23	2023-24	2024-25	2025-26	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	2021-22	2022-23	2023-24	2024-25	2025-26	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 legislation requires the Commissioner of Insurance, LA Department of Insurance (LDI) to prescribe a separate form regarding named storm, hurricane, and wind and hail deductibles for homeowner's insurance policies. LDI reports that existing resources and budget authority within the department will be utilized to develop the separate form.

REVENUE EXPLANATION

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

Senate

Dual Referral Rules

House

13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Alan M. Boxberger

Alan M. Boxberger
Staff Director