

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **SB 295** SLS 24RS 398

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> March 19, 2024 6:41 PM	<b>Author:</b> CLOUD
<b>Dept./Agy.:</b> Insurance	<b>Analyst:</b> Patrice Thomas
<b>Subject:</b> Ratemaking Procedures	

INSURANCE RATES OR NO IMPACT See Note  
Provides for certain processes relative to rate making. (8/1/24)

Proposed law changes the rate filing requirement for certain property, casualty, and liability policies by requiring every insurer to file with the Commissioner of Insurance all rates, supplementary rate information, and all supporting information for risks and rates deemed approved unless the Commissioner notifies the insurer within 30 days (competitive market) or 60 days (noncompetitive market) from receiving the rate filing. Under proposed law, if a rate filing is inadequate or unfairly discriminatory, the commissioner may direct the insurer to collect additional premiums to ensure that the rate is adequate or require the insurer to provide the insured a refund of any sums deemed to be discriminatory. Proposed law provides proposed law is not to be interpreted as to create a private cause of action. Proposed law effective on 8/01/2024.

EXPENDITURES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

  

REVENUES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

There is no anticipated direct material effect on governmental expenditures as a result of this measure. Proposed law changes the rate filing requirement for certain property, casualty, and liability policies by requiring every insurer to file with the Commissioner of Insurance all rates, supplementary rate information, and all supporting information for risks. Furthermore, the proposed law deems the rates approved unless the commissioner notifies the insurer within 30 days (competitive market) or 60 days (noncompetitive market) from receiving the rate filing. This measure does not impact the workload within the LA Department of Insurance (LDI).

**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}

*Alan M. Boxberger*

**Alan M. Boxberger**  
**Legislative Fiscal Officer**