SENATE BILL NO. 369

BY SENATOR BASS

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2	To amend and reenact R.S. 40:1428(A)(3) and (4) and (C), to enact R.S. 22:1924(C) and
3	1925(D), and to repeal R.S. 40:1429, relative to insurance fraud; to provide for venue
4	in insurance fraud cases; to provide for the allocation of insurance fraud assessment
5	funds; to provide for an effective date; and to provide for related matters.
6	Be it enacted by the Legislature of Louisiana:
7	Section 1. R.S. 22:1924(C) and 1925(D) are hereby enacted to read as follows:
8	§1924. Prohibited activities and sanctions
9	* * *
10	C. In addition to the venue established by the Code of Criminal
11	Procedure Articles 611 and 614, venue shall also be appropriate in the
12	Nineteenth Judicial District Court, parish of East Baton Rouge.
13	§1925. Automobile insurance policies
14	* * *
15	D. In addition to the venue established by the Code of Criminal
16	Procedure Articles 611 and 614, venue shall also be appropriate in the
17	Nineteenth Judicial District Court, parish of East Baton Rouge.
18	Section 2. R.S. 40:1428(A)(3) and (4) and (C) are hereby amended and reenacted to
19	read as follows:
20	§1428. Special assessment; creation of dedicated fund account

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1	A.(1)	*	*	*
1	11.(1)			

(3) On and after January 1, 2004, if <u>If</u> the fee assessed for the previous year exceeds by five percent of the cumulative costs of the previous year of operating the insurance fraud programs to which funds are allocated, the fee assessment for the next year shall be reduced by the amount of the excess in proportion to the assessment; however, <u>If</u> any entity listed in <u>Subparagraph (4)(b) Paragraph (4)</u> of this Subsection that expends its allocation, the entity shall receive at least the same allocation for the next year.

(4)(a) Prior to making the allocations specified in Subparagraph (b) of this Paragraph, the commissioner of insurance is authorized to withhold the sum of thirty thousand dollars per year from the fees collected pursuant to this Section to defray the expense of collection of the fees, enforcement of this Subpart, and operation of the Department of Insurance and shall withhold one hundred eighty-seven thousand dollars to fund the Louisiana Automobile Theft and Insurance Fraud Prevention Authority pursuant to R.S. 22:2134 insurance fraud detection, investigation, and public awareness.

- (b) Except as otherwise provided in Subparagraph (a) of this Paragraph, the fees collected shall be used solely for the purposes of this Subpart and shall be allocated to the insurance fraud investigation unit within the office of state police, the insurance fraud support unit within the Department of Justice, the section of insurance fraud within the Department of Insurance, and other state agencies in accordance with a written agreement entered into by the superintendent of state police, the attorney general, and the commissioner of insurance.
- (c) Except as otherwise provided in Subparagraph (a) of this Paragraph, if a written agreement is not entered into pursuant to Subparagraph (b) of this Paragraph no later than September thirtieth, the fees collected in the next fiscal year shall be used solely for the purposes of this Subpart and shall be allocated as follows:
  - (i) Seventy-five percent of the fees collected shall be allocated to the

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insurance	fraud	investigation	unit	within	the	office	of state	police
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- (ii) Fifteen percent of the fees collected shall be allocated to the Department of Justice to be used solely for the insurance fraud support unit.
- (iii) Ten percent of the fees collected shall be allocated to the Department of Insurance to be used solely for the section of insurance fraud.

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C. After compliance with the requirements of Article VII, Section 9(B) of the Constitution of Louisiana relative to the Bond Security and Redemption Fund, an amount equal to that deposited as required by Subsection B of this Section shall be credited to a special statutorily dedicated fund account hereby created in the state treasury to be known as the Insurance Fraud Investigation Dedicated Fund Account, hereafter referred to in this Subsection as the "account". The monies shall be irrevocably dedicated and deposited in the account and shall be used solely as provided in Subsection A of this Section and only in the amounts appropriated by the legislature. Monies in the account shall be appropriated, administered, and used solely and exclusively for purposes of the fraud unit, fraud support unit, insurance fraud section, <del>LATIFPA,</del> and as further provided in this Section. All unexpended and unencumbered monies in the account at the end of the fiscal year shall be refunded to each insurer licensed by the Department of Insurance to conduct business in this state assessed a fee pursuant to this Section on a pro-rata basis based on each insurer's proportionate share of the total fees collected pursuant to this Section. Monies deposited into the account shall be categorized as fees and self-generated revenue for the sole purpose of reporting related to the executive budget, supporting documents, and general appropriation bills and shall be available for annual appropriation by the legislature.

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Section 3. R.S. 40:1429 is hereby repealed in its entirety.

Section 4. Sections 1, 3, and 5 of this Act and this Section shall become effective upon signature by the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature by the governor, as provided by Article III, Section

1 18 of the Constitution of Louisiana. If vetoed by the governor and subsequently approved
2 by the legislature, this Act shall become effective on the day following such approval.
3 Section 5. Section 2 of this Act shall become effective on September 1, 2024.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

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APPROVED: \_\_\_\_\_