

2025 Regular Session

HOUSE BILL NO. 329

BY REPRESENTATIVES HEBERT, BAMBURG, CARLSON, CARVER, CHENEVERT,
COATES, DOMANGUE, HENRY, AND MELERINE

INSURANCE DEPARTMENT: Provides for the disposition of proceeds from certain taxes
and fees collected by the Department of Insurance

1 AN ACT

2 To enact R.S. 22:439(A)(1)(c), (E), and (F), 821(C), and 831(C), relative to revenues
3 collected by the Department of Insurance; to dedicate certain revenues to the
4 Louisiana Fortify Homes Program Fund; to provide with respect to the powers and
5 duties of the commissioner of the Department of Insurance; to provide for an
6 effective date; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 22:439(A)(1)(c), (E), and (F), 821(C), and 831(C) are hereby enacted
9 to read as follows:

10 §439. Tax on surplus lines and unauthorized insurance

11 A.(1) There shall be a tax of four and eighty-five one hundredths of one
12 percent per annum on the gross premium without regard to the location of the
13 covered property, risk, or exposure for all insurance placed through a Louisiana
14 licensed surplus lines broker with a surplus lines insurer or other unauthorized
15 insurer and for which Louisiana is the home state of the policyholder as defined in
16 R.S. 22:46. The commissioner shall collect the tax and deposit it with the state
17 treasurer who shall credit it as follows:

18 * * *

(c) Each fiscal year, the first five million dollars of the tax collected shall be credited to the Louisiana Fortify Homes Program Fund, established pursuant to R.S. 22:1483.1.

* * *

E.(1) The commissioner may enter into cooperative endeavor agreements or other agreements for the receipt of policy information on surplus lines, directly placed, and other unauthorized insurance subject to the tax imposed by this Section.

(2) An agreement entered into pursuant to this Subsection may provide for
any of the following:

(a) The use of a clearinghouse to perform functions required pursuant to the
agreement.

(b) The collection of policy data in addition to premium.

(c) The computation of the tax due on the portion of premium attributable to
each risk classification.

(d) The assessment of a clearinghouse transaction fee.

(e) The reporting of insurance transactions or policyholders that are exempt
from the tax imposed by this Section.

(f) Any other provisions that facilitate the administration or collection of the
tax imposed by this Section.

F. The commissioner may promulgate and adopt rules and regulations in accordance with the Administrative Procedure Act for the administration and enforcement of the provisions of this Section, including the assessment of a clearinghouse transaction fee.

* * *

§821. Fees

* * *

C. The treasurer shall deposit into the Louisiana Fortify Homes Program Fund, established pursuant to R.S. 22:1483.1, monies from each of the following fees collected pursuant to the provisions of this Section:

(1) One thousand dollars from each annual financial regulation fee, pursuant to Paragraph (B)(2) of this Section.

(2) Fifteen dollars from each first time applicant fee, each application to add lines fee, each initial company appointment fee, each renewal company appointment of individual fee, each producer renewal fee for one line, and each producer renewal fee for two or more lines, pursuant to Subparagraph (B)(3)(b) of this Section.

(3) Fifteen dollars from each claims adjuster license and registration fee for business entities and residents and nonresidents pursuant to Subparagraphs (B)(23)(a) and (b) of this Section.

(4) Fifteen dollars from each public adjuster license fee for business entities and residents and nonresidents pursuant to Subparagraph (B)(24) of this Section.

* * *

§831. Fire, marine, transportation, casualty, surety, or other insurance

* * *

C. Each fiscal year, the treasurer shall deposit into the Louisiana Fortify Homes Program Fund, established pursuant to R.S. 22:1483.1, five million dollars of the taxes collected pursuant to this Section.

Section 2. This Act shall become effective on July 1, 2026.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 329 Engrossed

2025 Regular Session

Hebert

Abstract: Rededicates the proceeds from taxes and fees collected by the Dept. of Insurance on certain insurance policies and fees for applications and licenses.

Present law provides for a tax on the gross premium for all insurance purchased through Louisiana licensed surplus lines broker with a surplus lines insurer or an unauthorized insurer. The treasurer deposits 96% of the tax proceeds to the state general fund and 4% of the tax proceeds to the La. Fire Marshal Fund.

Proposed law requires the treasurer to deposit the first \$5M collected from these tax proceeds into the La. Fortify Homes Program. After the initial \$5M deposit, proposed law maintains the revenue percentage split between the state general fund and the La. Fire Marshal Fund as provided in present law.

Proposed law allows the commissioner of insurance (commissioner) to enter into cooperative endeavor agreements or other types of agreements for the receipt of policy information on surplus lines, directly placed lines, and other unauthorized insurance. Allows the commissioner to promulgate rules and regulations in accordance with the APA.

Present law provides for fees for producers' licenses for first time applicants, applications to add lines, initial company appointments, renewals of a company appointment of an individual, producer renewals, and producer renewals for one line and two or more lines. Provides for fees for claims adjuster licenses and registrations for business entities and for residents and nonresidents. Provides for fees for public adjuster licenses for business entities and resident and nonresidents. The revenue collected from these fees are designated as self-generated revenues for the La. Dept. of Insurance (LDI). Proposed law rededicates \$15 of each of these fees to the La. Fortify Homes Program Fund. The remainder of the fees collected will continue to be designated as self-generated revenues.

Present law provides for a \$1,000 annual financial regulation fee. The revenue collected from this fee is designated as self-generated revenue for the LDI. Proposed law rededicates the revenue collected from this fee to the La. Fortify Homes Program.

Present law provides for a tax upon the issuance of a policy, contracts, or other forms of obligations covering the risk of fire, marine, transportation, surety, fidelity, indemnity, guaranty, workers' compensation, employers' liability, property damages, livestock, vehicle, automatic sprinkler, burglary, or insurance of any other kind. \$15.6M of the tax proceeds are deposited into the La. State Police Salary Fund and the remainder are deposited into the state general fund. Proposed law deposits \$5M of the revenues collected from this tax into the La. Fortify Homes Program Fund each fiscal year. The remainder of the fees collected are deposited as provided in present law.

Effective July 1, 2026.

(Adds R.S. 22:439(A)(1)(c), (E) and (F), and 821(C), and 831(C))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Insurance to the original bill:

1. Ensure that administrative rules and regulations promulgated and adopted by LDI are in compliance with the Administrative Procedure Act.