

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 943** HLS 26RS 1303

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 13, 2026	7:33 PM	Author: FIRMENT
Dept./Agy.: Insurance/Department of Children and Family Services		Analyst: Anthony Shamis
Subject: Withhold payments to satisfy child support obligations		

CHILDREN/SUPPORT OR INCREASE SG RV See Note Page 1 of 1
Directs insurers to conduct data matches and withhold certain insurance and settlement payments to satisfy child support obligations

Proposed law establishes the Child Support insurance Intercept Act, and requires every insurer doing business in Louisiana to conduct data matches and to withhold and remit qualifying payments when notified by the Department of Children and Family Services (DCFS). Proposed law provides for the exchange of certain information. Proposed law requires insurers to exchange certain information with DCFS, no later than five days prior to issuing a qualifying payment. To the extent feasible, the office of child support shall facilitate a secure electronic process to exchange information with insurers. Proposed law requires that upon receipt of notice from DCFS, that insurers are only required to withhold payments made after receipt of notice from DCFS. Proposed law delegates enforcement authority over insurer compliance with this measure to the Commissioner of Insurance. Failure to comply with requirements of this legislation shall constitute an unfair or deceptive practice.

Effective January 1, 2027.

EXPENDITURES	2026-27	2027-28	2028-29	2029-30	2030-31	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	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. Proposed law is not expected to have an expenditure impact on the Louisiana Department of Insurance (LDI) or the Department of Children and Family Services (DCFS) in Fiscal Year 2027 or in subsequent fiscal years.

LDI indicates that the proposed law will not result in additional expenditures to enforce the provisions of the Child Support Insurance Intercept Act. The department is responsible for ensuring compliance with this measure, including issuing cease and desist orders, imposing administrative fines, conducting examinations and investigations, and adopting any necessary rules and regulations. LDI reports that these administrative responsibilities can be carried out using existing staff and resources.

Information provided by DCFS similarly indicates that there will be no expenditure impact associated with the requirement for insurers to conduct data matches with the department and to withhold certain insurance settlement payments to satisfy outstanding child support obligations.

REVENUE EXPLANATION

Proposed law is anticipated to result in a significant increase in SGR within DCFS associated with increased child support collections, resulting from insurance claim matches that lead to withheld payments. DCFS estimates collections to be significant, possibly in the millions of dollars (\$2 M estimate provided), but collections are speculative and likely subject to variability on an annual basis dependent on the number and value of successful claim intercepts.

Proposed law may increase SGR by an indeterminable amount in LDI as a result of fines authorized by this measure. The proposed law authorizes administrative fines pursuant to La R.S. 22:2. Additionally, failure to comply with proposed law is deemed an unfair or deceptive act or practice pursuant to La R.S. 22:1964, subjecting insurers to additional penalty provisions. The number of insurers that may violate the proposed law and be assessed administrative fines by the Commissioner of Insurance, or which are penalized under the Unfair Trade Practices provisions, is speculative and indeterminable.

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

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Legislative Fiscal Officer