

LEGISLATIVE FISCAL OFFICE
Fiscal Note

ACT 43

Fiscal Note On: **HB 291** HLS 16RS 670

Bill Text Version: **ENROLLED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:



Date: June 21, 2016	9:40 AM	Author: GLOVER
Dept./Agy.: Insurance		Analyst: Willis Brewer
Subject: Relative to diversity programs, surveys, and term limits		

INSURANCE DEPARTMENT

EN NO IMPACT See Note

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Provides relative to the division of diversity and opportunity and the Advisory Committee on Equal Opportunity.

Present law creates a division of diversity and opportunity within the Department of Insurance and provides for a 25-member Advisory Committee on Equal Opportunity in the division of diversity and opportunity where 24 are appointed by the governor and serve at his pleasure.

Proposed law charges Department of Insurance's division of diversity and opportunity to develop programs to address the needs and concerns of minority and women producers in the state. Proposed law provides that all entities authorized or licensed pursuant to the Louisiana Insurance Code may be included in the survey of insurance businesses in order to seek information and data relative to the policies and practices of hiring of and contracting with minorities.

Proposed law provides that the 24 members of the Advisory Committee on Equal Opportunity committee's term shall serve terms concurrent with the appointing governor.

EXPENDITURES	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>5 -YEAR TOTAL</u>
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>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>5 -YEAR TOTAL</u>
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>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated fiscal impact as a result of the proposed law.

This legislation reinstates and amends RS 22:31(A)(6) that referred to the pilot training program that was taken out erroneously last fiscal year when the Louisiana Department of Insurance (LDI) was undergoing reorganization legislation. The programs included with the pilot training program have continued and the LDI indicates that they are in compliance with the proposed law. These programs include the InVest Program that teaches high school students about the insurance industry and seminars at various universities informing individuals how to become a licensed claim adjuster. To the extent these current programs meet the requirements in the proposed law to address the needs and concerns of minority and women producers in the state, the proposed law is not anticipated to increase costs to the department.

In addition, the proposed law expands the range of survey participants that the department may survey in addition to insurance companies to include insurance agents, underwriters, and insurance industry employees. The department currently biannually surveys insurance companies requesting employment and contracting demographic information via a free survey service.

REVENUE EXPLANATION

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

Senate Dual Referral Rules House

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| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |
|--|---|

Evan Brasseaux

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