



LOUISIANA DEPARTMENT OF INSURANCE  
JAMES J. DONELON  
COMMISSIONER

March 8, 2023

The Honorable Patrick Page Cortez  
President of the Senate  
P.O. Box 94183  
Baton Rouge, LA 70804

Via email  
[apa.senatepresident@legis.la.gov](mailto:apa.senatepresident@legis.la.gov)

The Honorable Clay Schexnayder  
Speaker of the House  
P.O. Box 94062  
Baton Rouge, LA 70804

Via email  
[apa.housespeaker@legis.la.gov](mailto:apa.housespeaker@legis.la.gov)

The Honorable Kirk Talbot  
Senate Committee on Insurance  
P.O. Box 94183  
Baton Rouge, LA 70804

Via email  
[apa.s-ins@legis.la.gov](mailto:apa.s-ins@legis.la.gov)

The Honorable Mike Huval  
House Committee on Insurance  
P.O. Box 94062  
Baton Rouge, LA 70804

Via email  
[apa.h-ins@legis.la.gov](mailto:apa.h-ins@legis.la.gov)

RE: Notice of Intent to Amend Regulation 125 - Insure Louisiana Incentive Program

Dear President Cortez, Speaker Schexnayder, Senator Talbot, and Representative Huval:

The Department of Insurance, pursuant to the authority of the Louisiana Insurance Code, R.S. 22:1 et seq., and in accordance with the Administrative Procedure Act, R.S. 49:950 et seq., gives notice of its intent to amend Regulation 125 - Insure Louisiana Incentive Program. The purpose of Regulation 125 is to set forth standards and procedures relative to a property insurer's participation in the Insure Louisiana Incentive Program. Through cooperative endeavor agreements, property insurers participating in the program may be awarded matching grant funds in order to achieve the requirements of Act 754 of the 2022 Regular Session of the Louisiana Legislature and Act No. 1 and Act No. 2 of the 2023 Extraordinary Session of the Louisiana Legislature. Regulation 125 further specifies these requirements and conditions thereof for qualified property insurers.

Enclosure: NOI to Amend Regulation 125 - Insure Louisiana Incentive Program

## **NOTICE OF INTENT**

### **Department of Insurance Office of the Commissioner**

#### **Regulation 125—Insure Louisiana Incentive Program (LAC 37:XIII.Chapter 189)**

The Department of Insurance, pursuant to the authority of the Louisiana Insurance Code, R.S. 22:1 et seq., and in accordance with the Administrative Procedure Act, R.S. 49:950 et seq., hereby gives notice of its intent to amend Regulation 125 regarding the Insure Louisiana Incentive Program.

Louisiana is currently experiencing a crisis in the availability and affordability of insurance for residential and commercial properties. Louisiana property owners and their insurers sustained catastrophic losses in 2020 and 2021 from hurricanes Laura, Delta, Zeta, and Ida. As the result of their losses and their assessment of the risk of loss from future storms, many property insurers have substantially reduced their participation in the voluntary market for residential and commercial property insurance. With fewer property insurers in the voluntary market, competitive pressure on premium rates is reduced. Current underwriting practices have resulted in a substantial increase in the number of Louisiana property owners forced to obtain their property insurance coverage or their coverage for wind peril from Louisiana Citizens Property Insurance Corporation, the state insurer of last resort.

The Insure Louisiana Incentive Program was enacted through the passage of Act 754 of the 2022 Regular Session of the Louisiana Legislature and Act No. 1 and Act No. 2 of the 2023 Extraordinary Session of the Louisiana Legislature for the purpose of cooperative economic development and stability in Louisiana by encouraging additional property insurers to participate in the voluntary property insurance market to increase the availability of property insurance, increase competitive pressure on insurance rates, and reduce the volume of business written by the Louisiana Citizens Property Insurance Corporation.

Regulation 125 sets forth standards and procedures relative to a property insurer's participation in the Insure Louisiana Incentive Program. Through cooperative endeavor agreements, property insurers participating in the program may be awarded matching grant funds in order to achieve the requirements of Act 754 of the 2022 Regular Session of the Louisiana Legislature and Act No. 1 and Act No. 2 of the 2023 Extraordinary Session of the Louisiana Legislature. Regulation 125 further specifies these requirements and conditions thereof for qualified property insurers.

### **Title 37**

## **INSURANCE**

### **Part XIII. Regulations**

#### **Chapter 189. Regulation Number 125—Insure Louisiana Incentive Program**

##### **§18903. Authority**

A. Regulation 125 is promulgated pursuant to the authority and responsibility delegated to the commissioner under R.S. 22:2361 through 2371, Act No. 1 and Act No. 2 of the 2023 Extraordinary Session of the Louisiana Legislature, and pursuant to the general powers granted by law to the commissioner and the department.

**AUTHORITY NOTE:** Promulgated in accordance with Act No. 1 of the 2023 Extraordinary Session and Act No. 2 of the 2023 Extraordinary Session, R.S. 22:11, 22:2361 et seq., and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 49:270 (February 2023) amended LR

**§18905. Applicability and Scope**

A. Regulation 125 shall apply to all authorized insurers as defined in R.S. 22:46(3) operating and writing insurance for residential and commercial properties in the state, and to any approved unauthorized insurer as defined in R.S. 22:46(2) operating and writing insurance for residential and commercial properties in the state, eligible unauthorized insurer as defined in R.S. 22:46(10) operating and writing insurance for residential and commercial properties in the state, or domestic surplus lines insurer as provided for in R.S. 22:436.1 operating and writing insurance for residential and commercial properties in the state and collectively referred to as a surplus lines insurer as defined in R.S. 22:46(27).

B. ...

AUTHORITY NOTE: Promulgated in accordance with Act No. 1 of the 2023 Extraordinary Session and Act No. 2 of the 2023 Extraordinary Session, R.S. 22:11, 22:2361 et seq., and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 49:270 (February 2023) amended LR

**§18915. Qualifications for Applying for Grant Funds**

A. – A.1 ...

2. a property insurer with a financial strength rating that meets the following requirements:
  - a. AM Best Company “B+” or better; or
  - b. Demotech, Inc. “A” or better; or
  - c. AM Best Company “A” or better for licensed surplus lines insurers.

Property insurers rated by more than one rating company need only meet one of the rating requirements.

A.3. – D.5 ...

E. Notwithstanding any provision of law, regulation or rule to the contrary, the following are ineligible to receive any portion of funds from the Incentive Program Fund:

1. Any insurance company or property insurer with an officer, director, or controlling shareholder who was an officer, director, or controlling shareholder of an insurance company or property insurer licensed in Louisiana that filed for bankruptcy or was declared insolvent.
2. Any insurance company or property insurer whose parent company controlled all or part of an insurance company or property insurer licensed in Louisiana that filed for bankruptcy or was declared insolvent.

AUTHORITY NOTE: Promulgated in accordance with Act No. 1 of the 2023 Extraordinary Session and Act No. 2 of the 2023 Extraordinary Session, R.S. 22:11, 22:2361 et seq., and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 49:270 (February 2023) amended LR

**§18927. Reporting Requirements**

A. – B.4 ...

C. Grantee shall report quarterly May 15, August 15, and November 15 and annually by June 1, detail on the catastrophe reinsurance program maintained, including premium to surplus ratio, net of reinsurance, gross premium

to surplus ratio, detail on the catastrophe reinsurance program maintained by grantee, including retentions, limits, reinstatements, as well as the current ratings of each reinsurer. In addition, the report shall contain the modeled Probable Maximum Loss for a 1 in 50, 1 in 100, 1 in 150, 1 in 200 and 1 in 250 event, including the models and versions utilized.

1. Within 30 days of the end of each reporting period, the Department shall aggregate all responses and submit them as a report to the legislature.

D. ...

AUTHORITY NOTE: Promulgated in accordance with Act No. 1 of the 2023 Extraordinary Session and Act No. 2 of the 2023 Extraordinary Session, R.S. 22:11, 22:2361 et seq., and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 49:270 (February 2023) amended LR

#### **§18929. Compliance**

A. ...

B. The commissioner shall submit annual and quarterly reports on the Incentive Program to the House Committee on Appropriations, the Senate Committee on Finance, and the House and Senate Committees on Insurance containing information for the preceding year and quarter, respectively, detailing the following:

1. the amount of premium written by parish and by grantee under the Incentive Program;
2. the amount of premium by parish and by grantee associated with the property located in the parishes listed in §18917.B.3;
3. the amount of premium by parish and by grantee taken-out from the Louisiana Citizens Property Insurance Corporation; and
4. the total amount of premium for each grantee by parish, including the premium written under the Incentive Program.

C. If the commissioner determines that a grantee has complied with the terms of the grant, the commissioner shall notify the grantee in writing that the grantee has earned the 20 percent portion of the grant pursuant to R.S. 22:2370.

D. If the commissioner determines that the grantee shows promise of future compliance, the commissioner may grant an extension of not more than one year to a grantee who has failed to satisfy all requirements of the grant.

AUTHORITY NOTE: Promulgated in accordance with Act No. 1 of the 2023 Extraordinary Session and Act No. 2 of the 2023 Extraordinary Session, R.S. 22:11, 22:2361 et seq., and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 49:270 (February 2023) amended LR

#### **§18930. Monitoring**

A. The commissioner shall expedite the approval of certificates of authority, rate filings, form filings, and other necessary regulatory approvals of qualified insurers to facilitate the underwriting of new policies pursuant to the Incentive Program.

B. The commissioner shall monitor the financial solvency of grantees by evaluating the adequacy of insurer reinsurance programs using catastrophe model stress tests of the grantee's book of business.

C. The commissioner shall take any action necessary to ensure that grantees remain financially solvent.

**AUTHORITY NOTE:** Promulgated in accordance with Act No. 1 of the 2023 Extraordinary Session and Act No. 2 of the 2023 Extraordinary Session, R.S. 22:11, 22:2361 et seq., and the Administrative Procedure Act, R.S. 49:950 et seq.

**HISTORICAL NOTE:** Promulgated by the Department of Insurance, Office of the Commissioner, LR 49:270 (February 2023) amended LR

#### **Family Impact Statement**

1. Describe the Effect of the Proposed Regulation on the Stability of the Family. The proposed regulation should have no measurable impact upon the stability of the family.

2. Describe the Effect of the Proposed Regulation on the Authority and Rights of Parents Regarding the Education and Supervision of their Children. The proposed regulation should have no impact upon the rights and authority of children regarding the education and supervision of their children.

3. Describe the Effect of the Proposed Regulation on the Functioning of the Family. The proposed regulation should have no direct impact upon the functioning of the family.

4. Describe the Effect of the Proposed Regulation on Family Earnings and Budget. The proposed regulation should have no direct impact upon family earnings and budget.

5. Describe the Effect of the Proposed Regulation on the Behavior and Personal Responsibility of Children. The proposed regulation should have no impact upon the behavior and personal responsibility of children.

5. Describe the Effect of the Proposed Regulation on the Ability of the Family or a Local Government to Perform the Function as Contained in the Rule. The proposed regulation should have no impact upon the ability of the family or a local governmental unit to perform the function as contained in the rule.

#### **Poverty Impact Statement**

1. Describe the Effect on Household Income, Assets, and Financial Security. The proposed regulation should have no effect on household income assets and financial security.

2. Describe the Effect on Early Childhood Development and Preschool through Postsecondary Education Development. The proposed regulation should have no effect on early childhood development and preschool through postsecondary education development.

3. Describe the Effect on Employment and Workforce Development. The proposed regulation should have no effect on employment and workforce development.

4. Describe the Effect on Taxes and Tax Credits. The proposed regulation should have no effect on taxes and tax credits.

5. Describe the Effect on Child and Dependent Care, Housing, Health Care, Nutrition, Transportation and Utilities Assistance. The proposed regulation should have no effect on child and dependent care, housing, health care, nutrition, transportation and utilities assistance.

#### **Small Business Analysis**

The impact of the proposed regulation on small businesses as defined in the Regulatory Flexibility Act has been considered. It is estimated that the proposed action is not expected to have a significant adverse impact on small businesses. The agency, consistent with health, safety, environmental and economic welfare factors has considered

and, where possible, utilized regulatory methods in the drafting of the proposed regulation that will accomplish the objectives of applicable statutes while minimizing the adverse impact of the proposed regulation on small businesses.

1. Identification and Estimate of the Number of the Small Businesses Subject to the Proposed Rule. The proposed regulation should have no measurable impact upon small businesses.

2. The Projected Reporting, Record Keeping, and Other Administrative Costs Required for Compliance with the Proposed Rule, Including the Type of Professional Skills Necessary for Preparation of the Report or Record. The proposed regulation should have no measurable impact upon small businesses.

3. A Statement of the Probable Effect on Impacted Small Businesses. The proposed regulation should have no measurable impact upon small businesses.

4. Describe any Less Intrusive or Less Costly Alternative Methods of Achieving the Purpose of the Proposed Rule. The proposed regulation should have no measurable impact on small businesses; therefore, will have no less intrusive or less cost alternative methods.

#### **Provider Impact Statement**

1. Describe the Effect on the Staffing Level Requirements or Qualifications Required to Provide the Same Level of Service. The proposed regulation will have no effect.

2. The Total Direct and Indirect Effect on the Cost to the Provider to Provide the Same Level of Service. The proposed regulation will have no effect.

3. The Overall Effect on the Ability of the Provider to Provide the Same Level of Service. The proposed regulation will have no effect.

#### **Public Comments**

Interested persons who wish to make comments may do so by writing to Jennifer Land, Staff Attorney, Louisiana Department of Insurance, P.O. Box 94214, Baton Rouge, LA 70804-9214, by faxing comments to (225) 342-1632, or electronically at [regulations@ldi.la.gov](mailto:regulations@ldi.la.gov). Comments will be accepted through the close of business, 4:30 p.m., April 10, 2023.

James J. Donelon  
Commissioner

#### **Fiscal and Economic Impact Statement**

1. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS. (Summary)

The proposed rule is not anticipated to result in implementation costs or savings to the state or local governmental units. The proposed rule is being promulgated to establish the rules and regulations of the Insure Louisiana Incentive Program, which was enacted through the passage of Act 754 of the 2022 Regular Session of the Louisiana Legislature and Act 1 and Act 2 of the 2023 Extraordinary Session of the Louisiana Legislature. The proposed rule will set forth standards and procedures relative to a property insurer's participation in the Insure Louisiana Incentive Program. The Insure Louisiana Incentive Program is a state match program for property insurers who commit to writing new business in Louisiana. The Commissioner of Insurance may grant matching capital funds to qualified property insurers.

**2. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS. (Summary)**

The proposed rule will have no impact on state or local governmental revenues.

**3. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS, SMALL BUSINESSES, OR NON-GOVERNMENTAL GROUPS. (Summary)**

The proposed rule is anticipated to benefit Louisiana property owners with the current crisis in the availability and affordability of residential and commercial property insurance. The proposed rule outlines rules and regulations of the Insure Louisiana Incentive Program, which was enacted by the legislature for the purpose of economic development and stability in Louisiana. The program encourages additional property insurers to participate in the voluntary property insurance market in Louisiana.

**4. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT. (Summary)**

The program anticipates increasing the availability of property insurance, increasing competitive pressure on insurance rates, and reducing the volume of business written by the Louisiana Citizens Property Insurance Corporation.

**FISCAL AND ECONOMIC IMPACT STATEMENT  
FOR ADMINISTRATIVE RULES**

Person  
Preparing  
Statement: Anita R. Robert Department: Louisiana Department  
of Insurance

Phone: (225) 219-0609 Office: Management & Finance

Return Address: P. O. Box 94214 Rule Title: Insure Louisiana Incentive  
Baton Rouge, LA  
70804-9214 Program

Effective Date: Upon Publication

**SUMMARY**

(Use Complete Sentences)

In accordance with Section 961 of Title 49 of the Louisiana Revised Statutes, there is hereby submitted a fiscal and economic impact statement on the rule proposed for adoption, repeal or amendment. THE FOLLOWING STATEMENTS SUMMARIZE ATTACHED WORKSHEETS, I THROUGH IV AND WILL BE PUBLISHED IN THE LOUISIANA REGISTER WITH THE PROPOSED AGENCY RULE.

**I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS. (Summary)**

The proposed rule is not anticipated to result in implementation costs or savings to the state or local governmental units. The proposed rule is being promulgated to establish the rules and regulations of the Insure Louisiana Incentive Program, which was enacted through the passage of Act 754 of the 2022 Regular Session of the Louisiana Legislature and Act 1 and Act 2 of the 2023 Extraordinary Session of the Louisiana Legislature. The proposed rule will set forth standards and procedures relative to a property insurer's participation in the Insure Louisiana Incentive Program. The Insure Louisiana Incentive Program is a state match program for property insurers who commit to writing new business in Louisiana. The Commissioner of Insurance may grant matching capital funds to qualified property insurers.

**II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS. (Summary)**

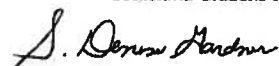
The proposed rule will have no impact on state or local governmental revenues.

**III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS, SMALL BUSINESSES, OR NON-GOVERNMENTAL GROUPS. (Summary)**

The proposed rule is anticipated to benefit Louisiana property owners with the current crisis in the availability and affordability of residential and commercial property insurance. The proposed rule outlines rules and regulations of the Insure Louisiana Incentive Program, which was enacted by the legislature for the purpose of economic development and stability in Louisiana. The program encourages additional property insurers to participate in the voluntary property insurance market in Louisiana.

**IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT. (Summary)**

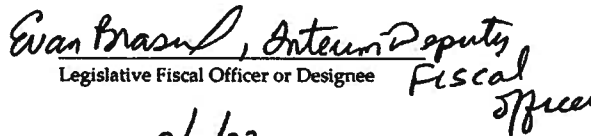
The program anticipates increasing the availability of property insurance, increasing competitive pressure on insurance rates, and reducing the volume of business written by the Louisiana Citizens Property Insurance Corporation.



Denise Gardner, Chief of Staff  
La. Department of Insurance

3/6/2023

Date of Signature

  
Legislative Fiscal Officer or Designee *Fiscal Officer*

3/7/23

Date of Signature



FISCAL AND ECONOMIC IMPACT STATEMENT  
FOR ADMINISTRATIVE RULES

The following information is required in order to assist the Legislative Fiscal Office in its review of the fiscal and economic impact statement and to assist the appropriated legislative oversight subcommittee in its deliberations on the proposed rule.

- A. Provide a brief summary of the content of the rule (if proposed for adoption or repeal) or a brief summary of the change in the rule (if proposed for amendment). Attach a copy of the notice of intent and a copy of the rule proposed for initial adoption or repeal (or, in the case of a rule change, copies of the current and proposed rules with amended portions indicated).

The proposed rule is not anticipated to result in implementation costs or savings to the state or local governmental units. The proposed rule is being promulgated to establish the rules and regulations of the Insure Louisiana Incentive Program, which was enacted through the passage of Act 754 of the 2022 Regular Session of the Louisiana Legislature and Act 1 and Act 2 of the 2023 Extraordinary Session of the Louisiana Legislature. The rule will set forth standards and procedures relative to a property insurer's participation in the Insure Louisiana Incentive Program. The Insure Louisiana Incentive Program is a state match program for property insurers who commit to writing new business in Louisiana. The Commissioner of Insurance may grant matching capital funds to qualified property insurers.

The proposed rule is anticipated to benefit Louisiana property owners with the current crisis in the availability and affordability of insurance for residential and commercial properties. The proposed rule outlines rules and regulations of the Insure Louisiana Incentive Program, which was enacted by the legislature for the purpose of economic development and stability in Louisiana. The program encourages additional property insurers to participate in the voluntary property insurance market in Louisiana. The program anticipates increasing the availability of property insurance, increasing competitive pressure on insurance rates, and reducing the volume of business written by the Louisiana Citizens Property Insurance Corporation.

- B. Summarize the circumstances which require this action. If the action is required by federal regulations, attach a copy of the applicable regulation.

The Louisiana Department of Insurance (LDI) is tasked with administering the Insurance Code, which regulates the business of insurance in all of its phases. The proposed rule is being promulgated to establish the rules and regulations of the Insure Louisiana Incentive Program, which was enacted through the passage of Act 754 of the 2022 Regular Session of the Louisiana Legislature and Act 1 and Act 2 of the 2023 Extraordinary Session of the Louisiana Legislature.

- C. Compliance with Act 11 of the 1986 First Extraordinary Session:  
(1) Will the proposed rule change result in any increase in expenditure of funds? If so, specify the amount and source of funding.

No increase in expenditure of funds is anticipated as a result of the proposed rule.

- (2) If the answer to (1) above is yes, has the Legislature specifically appropriated the funds necessary for the associated expenditure increase?

\_\_\_\_ Yes. If yes, provide documentation.

\_\_\_\_ No. If no, provide justification as to why this rule change should be published at this time.

FISCAL AND ECONOMIC IMPACT STATEMENT  
WORKSHEET

I. A. COSTS OR SAVINGS TO STATE AGENCIES RESULTING FROM ACTION PROPOSED.

1. What is the anticipated increase (decrease) in costs to implement the proposed action?

LDI does not anticipate any implementation costs (savings) as a result of the proposed rule.

COSTS	FY 23	FY 24	FY 25
Personal Services	0	0	0
Operating Expenses	0	0	0
Professional Services	0	0	0
Other Charges	INCREASE	INCREASE	INCREASE
Equipment	0	0	0
Major Repairs & Constr.	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>POSITIONS (#)</b>			

2. Provide a narrative explanation of the costs or savings shown in "A.1" above, including the increase or reduction in workload or additional paperwork (number of new forms, additional documentation, etc.) anticipated as a result of the implementation of the proposed action. Describe all data, assumptions, and methods used in calculating these costs.

The Insure Louisiana Incentive Program will award \$45 M matching capital fund grants to qualified property insurance companies. The grants range from \$2 million to \$10 million per insurance company. Under the Incentive Program, eligible property insurance companies are awarded 20% of their total grant award over five years, beginning in FY 23 thru FY 27.

In future fiscal years, the legislature may appropriate additional funding for the Insure Louisiana Incentive Program. It is unknown the amount of funding that will be appropriated.

3. Sources of funding for implementing the proposed rule or rule change.

SOURCE	FY 23	FY 24	FY 25
STATE GENERAL FUND	0	0	0
AGENCY SELF-GENERATED	0	0	0
DEDICATED	INCREASE	INCREASE	INCREASE
FEDERAL FUNDS	0	0	0
OTHER (SPECIFY)	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>

4. Does your agency currently have sufficient funds to implement the proposed action? If not, how and when do you anticipate obtaining such funds?

Act 1 of the 2023 Extraordinary Session of the Louisiana Legislature appropriated \$45 M to the Insure Louisiana Fund to award matching capital fund through the Insure Louisiana Incentive Program beginning in FY 23. In future fiscal years, the legislature may appropriate additional funding into the Insure Louisiana Fund to award additional grants through the Insure Louisiana Incentive Program. It is unknown the amount of funding that will be appropriated.

B. COSTS OR SAVINGS TO LOCAL GOVERNMENTAL UNITS RESULTING FROM THE ACTION PROPOSED.

1. Provide an estimate of the anticipated impact of the proposed action on local governmental units, including adjustments in workload and paperwork requirements. Describe all data, assumptions and methods used in calculating this impact.

There is no impact on local governmental units as a result of the proposed rule.

2. Indicate the sources of funding of local governmental unit(s) which will be affected by these cost or savings. Not applicable.

FISCAL AND ECONOMIC IMPACT STATEMENT  
WORKSHEET  
(Continued)

II. EFFECT ON REVENUE COLLECTIONS OF STATE AND LOCAL GOVERNMENTAL UNITS

A. What increase (decrease) in revenues can be anticipated from the proposed action?

The proposed rule will have no impact on state or local governmental revenues.

REVENUE INCREASE/DECREASE	FY 23	FY 24	FY 25
STATE GENERAL FUND	0	0	0
AGENCY SELF- GENERATED	0	0	0
DEDICATED FUNDS*	0	0	0
FEDERAL FUNDS	0	0	0
LOCAL FUNDS	0	0	0
TOTAL	0	0	0

\*Specify the particular fund being impacted.

B. Provide a narrative explanation of each increase or decrease in revenues shown in "A".  
Describe all data, assumptions and methods used in calculating these increases or decreases.

The proposed rule will have no impact on state or local governmental revenues.

III. COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS, SMALL  
BUSINESSES, OR NON-GOVERNMENTAL GROUPS

A. What persons, small businesses, or non-governmental groups would be directly affected by the proposed action? For each, provide an estimate and a narrative description of any effect on costs, including workload adjustments and additional paperwork (number of new forms, additional documentation, etc.) they may have to incur as a result of the proposed action.

The proposed rule is anticipated to benefit Louisiana property owners with the current crisis in the availability and affordability of residential and commercial property insurance. The proposed rule outlines rules and regulations of the Insure Louisiana Incentive Program, which was enacted by the legislature for the purpose of economic development and stability in Louisiana. The program encourages additional property insurers to participate in the voluntary property insurance market in Louisiana.

B. Also provide an estimate and a narrative description of any impact on receipts and/or income resulting from this rule or rule change to these groups.

Subject to legislative appropriation, the program will provide state match to property insurers who commit to writing new business in Louisiana. The proposed rule is not anticipated to impact on receipts or income of other directly affected persons, small businesses, or non-governmental groups.

IV. EFFECTS ON COMPETITION AND EMPLOYMENT

Identify and provide estimates of the impact of the proposed action on competition and employment in the public and private sectors. Include a summary of any data, assumptions and methods used in making these estimates.

The program anticipates increasing the availability of property insurance, increasing competitive pressure on insurance rates, and reducing the volume of business written by the Louisiana Citizens Property Insurance Corporation.