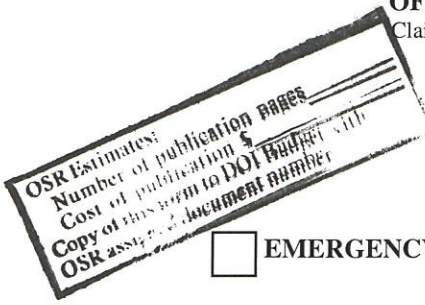


OFFICE OF THE STATE REGISTER INSERTION ORDER (eff.08/02)

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EMERGENCY RULE NOTICE OF INTENT RULE POTPOURRI

REFER TO INSTRUCTIONS ON REVERSE SIDE

This is your authority to publish in the (month) July, 20 21 *Louisiana Register* the document indicated above.

Office of the Commissioner
Office/Board/Commission promulgating this document

James J. Donelon Commissioner
(name) (title)
Name and title of person whose signature will appear in the publication (at the end of the document)

Louisiana Department of Insurance
Department under which office/board/commission is classified

Lisa L. Henson (225) 219-7851 (225) 342-1
(name) (phone) (fax)
Name, phone number, and FAX number of person to contact regarding this document

Lisa.Henson@ldi.la.gov
E-mail address of contact person

Regulation 87—Louisiana Citizens Pro
Short descriptive listing for this document to be used in the *Louisiana Register's* TABLE OF CONTENTS/INDEX

DOI NOI to Amend Regulation 87
File name

Signature of Agency Head or Designee
Nicholas Lorusso, Chief Deputy Commissior
Print Name and Title of Agency Head or Designee

Important: If submitting both an Emergency Rule (ER) and a Notice of Intent (NOI) to be published this month, AND if the rule text in the ER is identical to the rule text in the NOI, check here:

CERTIFICATION OF AVAILABLE FUNDS DOCUMENT # _____

ISIS AGENCY: I certify the availability of fiscal year _____ appropriated funds for the payment of the above referenced publication and authorize the processing of an Interagency Billing with the following coding on the 30th of the month of the publication. Attach supplemental sheet for additional lines of coding.

AGENCY ORGANIZATION # OBJECT SUB-OBJECT REPORTING CATEGORY

NON-ISIS AGENCY: I certify the availability of fiscal year 21/22 appropriated funds for the payment of the above referenced publication and agree to place corresponding invoice in line for payment upon receipt.

Billing Address for Agencies:

La Dept of Insurance
Agency Name

Christopher Bahm
Agency Contact Person for Billing

Christopher.Bahm@ldi.la.gov
Agency E-Mail Address for Billing

Darshak Choudhary 342-5353
Signature of Agency Head or Designee - Phone #

Lines/Other Charges _____ Typesetting \$ _____ TOTAL \$ _____



LOUISIANA DEPARTMENT OF INSURANCE

JAMES J. DONELON
COMMISSIONER

July 7, 2021

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

ELECTRONIC TRANSMISSION
apa.senatepresident@legis.la.gov

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

ELECTRONIC TRANSMISSION
apa.housespeaker@legis.la.gov

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

ELECTRONIC TRANSMISSION
apa.s-ins@legis.la.gov

The Honorable Chad Brown
Chairman of the House Insurance Committee
P.O. Box 94062
Baton Rouge, LA 70804

ELECTRONIC TRANSMISSION
apa.h-ins@legis.la.gov

RE: Notice of Intent to Amend Regulation 87—Louisiana Citizens Property Insurance Corporation Producer Binding Requirements

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

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 87—Louisiana Citizens Property Insurance Corporation Producer Binding Requirements. The purpose of the amendment to Regulation 87 is to conform with changes to the plan of operations of Louisiana Citizens Property Insurance Corporation.

If you have any questions or need any clarification please contact Lisa L. Henson, Staff Attorney with the Louisiana Department of Insurance who assisted the Commissioner in the preparation of the amendment to Regulation 42. Ms. Henson can be reached at (225) 219-7851, or electronically at lisa.henson@ldi.la.gov.

Sincerely,



Lisa L. Henson
Staff Attorney
Louisiana Department of Insurance

Enclosure: Regulation 87—Louisiana Citizens Property Insurance Corporation Producer Binding Requirements

NOTICE OF INTENT

**Department of Insurance
Office of the Commissioner**

**Regulation 87—Louisiana Citizens Property Insurance Corporation
Producer Binding Requirements (LAC 37:XIII.Chapter 121)**

In accordance with R.S. 49:950 et seq., the Administrative Procedure Act, and through the authority granted under R.S. 22:1 et seq., and specifically R.S. 22:11, the Department of Insurance hereby gives notice of its intent to amend Regulation 87—Louisiana Citizens Property Insurance Corporation Producer Binding Requirements. The Department of Insurance is amending Regulation 87 to conform with changes to the plan of operations of Louisiana Citizens Property Insurance Corporation.

Title 37

INSURANCE

Part XIII. Regulations

Chapter 121. Regulation Number 87—Louisiana Citizens Property Insurance Corporation Producer Binding Requirements

§12103. Authority

A. Regulation 87 is promulgated by the Board of Directors of the Louisiana Citizens Property Insurance Corporation, pursuant to the authority granted under the Louisiana Insurance Code, Title 22, R.S. 22:2313.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:2313 and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Louisiana Citizens Property Insurance Corporation, LR 33:1872 (September 2007), amended LR _____ (_____ 2021).

§12105. Applicability and Scope

A. Regulation 87 applies to all insurance producers who are eligible to sell insurance policies issued by Louisiana Citizens Property Insurance Corporation pursuant to R.S. 22:2313(A), and that have applied to the Louisiana Citizens Property Insurance Corporation and have met the qualifications for binding authority.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:2313 and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Louisiana Citizens Property Insurance Corporation, LR 33:1872 (September 2007), amended LR _____ (_____ 2021).

§12107. Definitions

A. For the purposes of Regulation 87, the following terms shall have the meaning or definition as indicated herein.

* * *

E.P.I.C.—the Citizens policy management and claim computer system or its successor.

* * *

Louisiana Policy Management System (LPMS)—Repealed.

* * *

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:2313 and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Louisiana Citizens Property Insurance Corporation, LR 33:1873 (September 2007), amended LR _____ (_____ 2021).

§12109. Licensing

A. Pursuant to R.S. 22:12, no person shall be authorized to transact or shall transact the business of insurance in the state of Louisiana without complying with the provisions of the Louisiana Insurance Code.

B. Except as otherwise provided in R.S. 22:1544(B) and 22:1562(C)(1), no person shall act as or hold himself out to be an insurance producer unless licensed by the department as required by R.S. 22:1543.

C. In accordance with R.S. 22:1543(B), an insurance producer is not authorized to sell, solicit, make an application for, procure, or place for others any policies for any lines of insurance as to which the insurance producer is not qualified and duly licensed in the state of Louisiana.

D. . . .

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:2313 and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Louisiana Citizens Property Insurance Corporation, LR 33:1873 (September 2007), amended LR _____ (_____ 2021).

§12111. Qualifications for Binding Authority

A. In order to bind coverage for the FAIR Plan and the Coastal Plan through Citizens, each duly licensed insurance producer must meet the following requirements:

1. . . .
2. complete any previously approved and required Citizens education seminar, as well as review and follow all training documents, rules, and guidelines provided on Citizens' website
3. . . .
4. . . .
5. . . .
6. . . .
7. . . .

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:2313 and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Louisiana Citizens Property Insurance Corporation, LR 33:1873 (September 2007), amended LR _____ (_____ 2021).

§12113. Procedures to Implement Binding Authority

A. The insurance producer shall list all unlicensed employees that shall have access to the E.P.I.C. system in order for the insurance producer to bind property and casualty insurance coverage for their clients with Citizens.

B. If the insurance producer is an insurance agency, it shall list each unlicensed employee or insurance producer that shall have access to the E.P.I.C. system in order for the insurance producer to bind property and casualty insurance coverage for their clients with Citizens.

C. Each insurance producer, whether an individual or an agency, shall assign an administrator who shall have the responsibility and authority to add and/or delete unlicensed employees, including insurance producers, who have been authorized to access the E.P.I.C. system. The administrator shall provide each unlicensed employee, including insurance producers, an E.P.I.C. system access code, and the administrator and insurance producer shall select a secure password to access the E.P.I.C. system. The administrator shall be responsible for managing the E.P.I.C. system interface with the insurance producer, whether an individual or an agency, and maintaining up-to- date information in the E.P.I.C. system.

D. Citizens will publish and maintain technical computer system requirements for the E.P.I.C. system. Instructions for using the E.P.I.C. system will be available on a web site created and maintained by Citizens. Insurance producers are responsible for ensuring that their computer systems and internal resources meet the technical computer system requirements and that their unlicensed employees, including insurance producers if an insurance agency, are properly trained on the use of the E.P.I.C. system.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:2313 and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Louisiana Citizens Property Insurance Corporation, LR 33:1873 (September 2007), amended LR _____ (_____ 2021).

§12115. Procedures for Application to Bind Coverage

A. . . .

B. The insurance producer authorized to bind coverage with Citizens on the E.P.I.C. system shall provide a valid Louisiana property and casualty insurance producer license number issued by the department in each application for property and casualty coverage with Citizens utilizing the E.P.I.C. system. The administrator shall be responsible for maintaining an up-to-date list of insurance producers with the current insurance producer license number issued by the department.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:2313 and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Louisiana Citizens Property Insurance Corporation, LR 33:1874 (September 2007), amended LR _____ (_____ 2021).

§12117. Education and Training

A. Each authorized insurance producer and each authorized employee of an insurance producer shall attend any certified continuing education seminar that may be required by Citizens in order to maintain their binding authority. Citizens will provide appropriate notice to authorized insurance producers should a continuing education requirement be identified.

B. Each new insurance producer and each employee of a new insurance producer shall attend any previously approved and required Citizens education seminar, as well as review and follow all training documents, rules and guidelines provided on Citizens' website. As a prerequisite for authorization to bind coverage, new producers and existing producers must comply with

this Regulation 87.

C. . . .

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:2313 and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Louisiana Citizens Property Insurance Corporation, LR 33:1874 (September 2007), amended LR _____ (_____ 2021).

§12119. Errors and Omission Insurance

A. Each insurance producer, including the insurance agency if applicable, must provide documentary proof to Citizens that it has met and is carrying a required minimum of \$1 million per occurrence and \$1 million annual aggregate of professional liability coverage at the time of application for binding authority. Proof of professional liability coverage shall include, at a minimum, documentation that verifies the liability insurer, the amount of coverage and the duration of coverage. The administrator of the insurance producer shall update this proof of professional liability coverage in the E.P.I.C. system each year in advance of the expiration date of the coverage.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:2313 and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Louisiana Citizens Property Insurance Corporation, LR 33:1874 (September 2007), amended LR _____ (_____ 2021).

§12123. Premium Payments Requirements

A. An insurance producer shall submit to Citizens an electronic payment, via the E.P.I.C. system, of the \$65.00 non-refundable application fee in order to receive a "Coverage Confirmation Letter." The policyholder, or the producer or mortgage company on behalf of the policyholder, has fourteen (14) days from the effective date of the Coverage Confirmation Letter to submit a minimum payment of 25% of the quoted policy premium plus 100% of all policy fees and taxes. If the minimum payment is not received by Citizens by the fourteenth day, the quote will expire. The E.P.I.C. system will allow payment electronically with either a credit card or an electronic transfer of funds (ETF). Both methods require a completed Funds Authorization Form to be submitted to Citizens via the E.P.I.C. system.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:2313 and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Louisiana Citizens Property Insurance Corporation, LR 33:1874 (September 2007), amended LR _____ (_____ 2021).

§12125. Suspension and Termination of Binding Authority

A. . . .

B. . . .

C. . . .

D. An unlicensed employee who demonstrates a consistent pattern of submitting procedural errors or substantive errors on applications to bind coverage with Citizens may be denied the right to access the E.P.I.C. system on behalf of the insurance producer until such time as Citizens has determined that the subject unlicensed employee has taken the actions required by Citizens to rectify the errors. The insurance producer, and if applicable an insurance agency, who is responsible for the unlicensed employee who has been sanctioned herein shall be subject to suspension or termination of the binding authority privileges as deemed appropriate by Citizens pursuant to the guidelines set forth in Subsections B, C, E and F.

E. . . .

F. . . .

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:2313 and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Louisiana Citizens Property Insurance Corporation, LR 33:1875 (September 2007), amended LR _____ (_____ 2021).

Family Impact Statement

1. Describe the Effect of the Proposed Regulation on the Stability of the Family. The proposed amended 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 amended 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 amended 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 amended 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 amended 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 amended 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.

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 amended 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 amended regulation should have no measurable impact upon small businesses.

3. A Statement of the Probable Effect on Impacted Small Businesses. The proposed amended 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 amended regulation should have no measurable impact on small businesses; therefore, will have no less intrusive or less cost alternative methods.

Poverty Impact Statement

1. Describe the Effect on Household Income, Assets, and Financial Security. The proposed amended 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 amended 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 amended regulation should have no effect on employment and workforce development.

4. Describe the Effect on Taxes and Tax Credits. The proposed amended 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 amended regulation should have no effect on child and dependent care, housing, health care, nutrition, transportation and utilities assistance.

Provider Impact Statement

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

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

Public Comments

Interested persons who wish to make comments may do so by writing to Lisa Henson, Staff Attorney, Louisiana Department of Insurance, P.O. Box 94214, Baton Rouge, LA 70804-9214, or by faxing comments to (225) 342-1632. Comments will be accepted through the close of business, 4:30 p.m., August 19, 2021.

James J. Donelon
Commissioner

FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES

RULE TITLE: Regulation 87—Louisiana Citizens Property Insurance Corporation

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

The proposed rule changes will not result in additional costs or savings for state or local governmental units. The rule revisions amend Regulation 87 to conform to changes to the plan of operations of the Louisiana Citizens Property Insurance Corporation.

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

The proposed rule changes will not affect revenue collections of state or local governmental units.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

The proposed rule change will not result in any costs and/or economic benefits to directly affected persons or non-governmental groups. The rule revisions amend Regulation 87 to conform to changes to the plan of operations of the Louisiana Citizens Property Insurance Corporation.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

The proposed rule changes will not affect competition or employment.

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: La. Citizens Property Insurance Corp. Producer Binding Requirements
Baton Rouge, LA
70804-9214
Effective Date: Upon Publication

SUMMARY

(Use Complete Sentences)

In accordance with Section 953 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 changes will not result in additional costs or savings for state or local governmental units. The proposed rule changes amend Regulation 87 to conform the changes to the plan of operations of the Louisiana Citizens Property Insurance Corporation. The Citizens policy management and claim computer system, E.P.I.C., is enacted for the processing of payments and binding coverage. Regulation 87 applies to all insurance producers who are eligible to sell insurance policies issued by Louisiana Citizens Property Insurance Corporation pursuant to R.S. 22:2313(A) and have met the qualifications for binding authority.

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

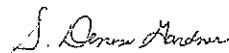
The proposed rule changes will have no impact on state or local governmental revenues.

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

The proposed rule changes will affect all policies issued through Louisiana Citizens Property Insurance Corporation. There will be a non-refundable \$65 application fee in order to receive a "Coverage Confirmation Letter". The policyholder, or the producer or mortgage company on behalf of the policyholder, has fourteen days from the effective date of the Coverage Confirmation Letter to submit a minimum payment of 25% of the quoted policy premium plus 100% of all policy fees and taxes. The E.P.I.C. system will allow payment electronically with either a credit card or an electronic transfer of funds (no credit card fees apply).

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

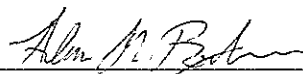
The proposed rule changes will have no impact upon competition and employment in the state.



Denise Gardner, Chief of Staff
La. Department of Insurance

5/10/21

Date of Signature



Legislative Fiscal Officer or Designee

5/10/21

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 changes will not result in additional costs or savings for state or local governmental units. The proposed rule changes amend Regulation 87 to conform the changes to the plan of operations of the Louisiana Citizens Property Insurance Corporation. The Citizens policy management and claim computer system, E.P.I.C., is enacted for the processing of payments and binding coverage. Education, training, and premium payment requirements are outlined in the regulation.

- 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 change is promulgated to conform the changes to the plan of operations of the Louisiana Citizens Property Insurance Corporation.

- 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 changes.

- (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 the proposed rule changes.

COSTS	FY 21	FY 22	FY 23
Personal Services	0	0	0
Operating Expenses	0	0	0
Professional Services	0	0	0
Other Charges	0	0	0
Equipment	0	0	0
Major Repairs & Constr.	0	0	0
TOTAL	0	0	0
POSITIONS (#)			

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

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

SOURCE	FY 21	FY 22	FY 23
STATE GENERAL FUND	0	0	0
AGENCY SELF-GENERATED	0	0	0
DEDICATED	0	0	0
FEDERAL FUNDS	0	0	0
OTHER (SPECIFY)	0	0	0
TOTAL	0	0	0

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

No additional funding is necessary as a result of the proposed rule changes.

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 changes.

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 changes will have no impact on state or local governmental revenues.

REVENUE INCREASE/DECREASE	FY 21	FY 22	FY 23
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.

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 changes will affect all policies issued through Louisiana Citizens Property Insurance Corporation. There will be a non-refundable \$65 application fee in order to receive a "Coverage Confirmation Letter". The policyholder, or the producer or mortgage company on behalf of the policyholder, has fourteen days from the effective date of the Coverage Confirmation Letter to submit a minimum payment of 25% of the quoted policy premium plus 100% of all policy fees and taxes. The E.P.I.C. system will allow payment electronically with either a credit card or an electronic transfer of funds (no credit card fees apply).

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.

The proposed rule change is not anticipated to impact on receipts or income of 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 proposed rule change will have no impact upon competition and employment in the state.