

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0299-01
Bill No.: SB 64
Subject: Motor Vehicles; Insurance-Automobile; Consumer Protection; Credit and
 Bankruptcy
Type: Original
Date: December 27, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Insurance Dedicated	\$13,550	\$0	\$0
Total Estimated Net Effect on <u>All</u> State Funds	\$13,550	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None			
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Insurance (INS)** state the department would issue a bulletin describing the intent of the statute to insurance companies. INS states the market conduct staff would include a proposal in review of company files during examinations. INS also states the implementation of this proposal would be absorbed by existing staff. INS estimates one-time revenues for the Insurance Dedicated Fund from form filings of \$13,550 (271 private passenger insurers x \$50 filing fee).

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
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INSURANCE DEDICATED FUND

Revenue - Department of Insurance			
Form filing fees	<u>\$13,550</u>	<u>\$0</u>	<u>\$0</u>

ESTIMATED NET EFFECT ON INSURANCE DEDICATED FUND	<u>\$13,550</u>	<u>\$0</u>	<u>\$0</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

This proposal would fiscally impact small insurance companies which write property insurance policies, as these companies may be required to file a disclosure notice for review and compliance with this proposal.

DESCRIPTION

This proposal would prohibit insurance companies from using a person's credit history when issuing or renewing auto insurance policies.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Insurance

A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is written in a cursive style with a large initial "J".

Jeanne Jarrett, CPA
Director

December 27, 2000