

FISCAL NOTE
Requested by Legislative Council
01/09/2009

Bill/Resolution No.: HB 1192

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

| | 2007-2009 Biennium | | 2009-2011 Biennium | | 2011-2013 Biennium | |
|-----------------------|--------------------|-------------|--------------------|-------------|--------------------|-------------|
| | General Fund | Other Funds | General Fund | Other Funds | General Fund | Other Funds |
| Revenues | | | | (\$19,579) | | \$132,750 |
| Expenditures | | | | | | |
| Appropriations | | | | | | |

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

| 2007-2009 Biennium | | | 2009-2011 Biennium | | | 2011-2013 Biennium | | |
|--------------------|--------|------------------|--------------------|--------|------------------|--------------------|--------|------------------|
| Counties | Cities | School Districts | Counties | Cities | School Districts | Counties | Cities | School Districts |
| | | | | | | | | |

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill changes the biennial renewal date for license renewal to be based on the producer's birth month, changes the process of canceling a license when the resident producer is not in compliance with continuing education requirements and increases the amount of the civil fine that can be levied.

B. Fiscal impact sections: *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 5 of the bill provides for the change in the due date for biennial license continuation to be based on a producer's birth month. Holders of limited lines licenses will be included in this filing cycle. The Department has developed a transitional plan to implement the change in reporting cycles. During the transition period, revenues will decrease an estimated \$49,579 for for the 2009-2011 biennium. The transition period will be complete by the 2011-2013 biennium at which time revenues are expected to be \$102,750 higher than the 2007-2009 biennium with the addition of the limited lines producers included in the filing cycle.

Section 6 of the bill increases the civil penalty that can be levied for violatation of Chapter 26.1-26. The increase in revenue is estimated to be \$30,000 each biennium.

Revenues from these fees and fines are deposited in the insurance regulatory trust fund.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

See above statement.

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

This bill will have no effect on expenditures.

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a*

continuing appropriation.

This bill will have no effect on appropriations.

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| Name: | Larry Martin | Agency: | Insurance Department |
| Phone Number: | 328-2930 | Date Prepared: | 01/16/2009 |