

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3221-01
Bill No.: HB 884
Subject: Insurance - Automobile; Insurance - General; Insurance - Property; Insurance
Dept.
Type: Original
Date: January 8, 2004

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Insurance Dedicated	\$0 to \$14,500	\$0	\$0
Total Estimated Net Effect on <u>All</u> State Funds	\$0 to \$14,500	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 3 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Insurance (INS)** state some insurers may be required to file new underwriting guidelines based on this proposal. There are currently 290 licensed insurance companies that write private passenger auto insurance. The fee per filing new guidelines with the INS is \$50. The INS has estimated the revenue range would be from \$0 to \$14,500 (290 insurers X \$50), depending on the number of companies who choose to write this type of coverage. Revenues would be one-time, deposited in the Insurance Dedicated Fund.

This proposal may increase Total State Revenue.

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
INSURANCE DEDICATED FUND			
<u>Income - Department of Insurance</u>			
Policy form filing fees	<u>\$0 to \$14,500</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON INSURANCE DEDICATED FUND	<u>\$0 to \$14,500</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Local Government

FY 2005
(10 Mo.)

FY 2006

FY 2007

\$0

\$0

\$0

FISCAL IMPACT - Small Business

Small businesses opting to purchase the optional insurance rider may be impacted by this proposal.

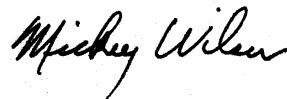
DESCRIPTION

This proposal allows insurers to offer comprehensive and collision automobile coverage as an optional rider to an uninsured motorist policy.

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



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Director
January 8, 2004