

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1856-01
Bill No.: HB 662
Subject: Bonds - Bail; Bonds - Surety; Insurance Dept.; Licenses - Professional
Type: Original
Date: March 4, 2005

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Insurance Dedicated	(\$8,900)	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	(\$8,900)	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Insurance (INS)** state this proposal would require the INS to establish rules for professional associations and verify association membership during the licensing process. Additional staff and expenses are not being requested with this single proposal, but if multiple proposals pass during the legislative sess which require additional changes to the licensing process, the INS will need to request additional staff to handle the increase in workload.

One-time computer contracting costs of \$9,093 would be required to modify the licensing database to allow for entry, tracking and reporting of association memberships of agents.

Oversight is adjusting the computer contracting costs to correspond to costs the INS expected to incur in an identical proposal from the current session (SB 213).

<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
INSURANCE DEDICATED FUND			
<u>Costs - Department of Insurance</u>			
Computer programming	<u>(\$8,900)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON INSURANCE DEDICATED FUND	<u>(\$8,900)</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Bail bond and surety recovery small businesses could be impacted by the proposal as membership fees in professional organizations may be incurred.

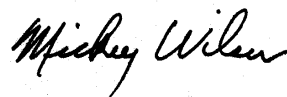
DESCRIPTION

This proposal requires that any person applying for a license or a license renewal as a bail bond agent, a general bail bond agent, or a surety recovery agent must provide the Director of the Department of Insurance with evidence that they are a member of a statewide professional association established to represent the interests of bail bond agents, general bail bond agents, or surety recovery agents. The director will establish requirements that an association must meet prior to being recognized as a statewide professional association.

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



L.R. No. 1856-01
Bill No. HB 662
Page 4 of 4
March 4, 2005

Mickey Wilson, CPA
Director
March 4, 2005