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LB 262

Revision: 00

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2007-08		FY 2008-09	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
REVOLVING FUNDS	\$25,000		\$25,000	
TOTAL FUNDS	\$25,000		\$25,000	

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 262 increases the limits of required liability coverage in motor vehicle insurance policies and the amounts required to show proof of financial responsibility effective January 1, 2008.

The Department of Administrative Services and the University of Nebraska indicate that their motor vehicle insurance coverages are in excess of the higher liability limits established in the bill, so there will be no increase in premium costs for these plans. However, it is possible the state risk management plan may incur some increase in expenses due to the higher liability limits in Section 1 for liability coverage for uninsured and underinsured motorists. There are instances where the state risk management plan reimburses state employees under the uninsured or underinsured motorist auto policy in addition to payments required under worker's compensation. The risk manager estimates an annual revolving fund fiscal impact of about \$25,000 based on one claim in each of the last few years.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Joe Wilcox	1/18/07	PHONE 471-2526
COMMENTS			
MOTOR VEHICLES – Concur with agency analysis. Bill deals with auto liability insurance limits.			