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 DATE PREPARED: January 22, 2008
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LB 792

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

| ESTIMATE OF FISCAL IMPACT – STATE AGENCIES * | | | | |
|---|-------------------|---------|-------------------|---------|
| | FY 2008-09 | | FY 2009-10 | |
| | EXPENDITURES | REVENUE | EXPENDITURES | REVENUE |
| GENERAL FUNDS | | | | |
| CASH FUNDS | | | | |
| FEDERAL FUNDS | | | | |
| OTHER FUNDS | | | | |
| TOTAL FUNDS | | | | |

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

LB 792 provides for a change in the insurance producer of record for a property and casualty policy to become effective no later than fifteen business days after the transfer to a new producer. Insurers are not to restrict access to a policy by a producer once the business transfer has been made. The bill provides that any violations of these provisions are considered an unfair trade practice.

Violations of the bill will subject the insurer to the provisions of the Unfair Insurance Trade Practice Act. If insurers are found to be guilty of a violation, a monetary penalty of up to \$1,000 may be assessed for nonflagrant violations. A higher penalty may be assessed for flagrant violations. Fines are deposited in the Permanent School Fund, the interest from which is distributed annually to school districts. Any revenue from fines pursuant to the bill is projected to minimal.

DEPARTMENT OF ADMINISTRATIVE SERVICES

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| REVIEWED BY | Joe Wilcox | 1/17/08 | PHONE 471-2526 |
| COMMENTS | | | |
| DEPT. OF INSURANCE – Concur with agency analysis. | | | |