

State Corporation Commission 2008 Fiscal Impact Statement

1. Bill Number: SB416

House of Origin	<u>X</u>	Introduced	<u> </u>	Substitute	<u> </u>	Engrossed
Second House	<u> </u>	In Committee	<u> </u>	Substitute	<u> </u>	Enrolled

2. Patron: Puckett

3. Committee: Commerce and Labor

4. Title: Insurance agent license examinations; demographic data.

5. Summary/Purpose: Requires applications for licensing examinations to ask applicants their age range, gender, race or ethnicity, native language and highest level of education completed. The bill would make the disclosure of this information by the applicant voluntary and would also require the State Corporation Commission or its designee to prepare an annual report that summarizes the statistical information reported. The report would also be required to include the total number of examinees, the percentage and number of examinees who passed the examination on their initial attempt, the mean scaled scores on the examination, the standard deviation of scaled scores and the correct answer rates and correlations.

6. Fiscal Impact Estimates: on the State Corporation Commission are not available. See Item 8.

7. Budget amendment necessary: No

8. Fiscal implications: The State Corporation Commission Bureau of Insurance is required to collect data currently not collected by its agent licensing testing vendor and prepare a statistical report based on the data. Costs to the Commission would be incurred in requiring the testing vendor to start collecting the data from applicants who are willing to provide the information. In addition, there would also be costs for the creation of a statistical report. The Commission would determine whether existing staff with the assistance of actuaries and economists under contracts for services could prepare such a report or whether the preparation of the report would require the Commission to obtain additional resources. The Bureau has no preliminary cost figures by which to estimate the fiscal impact of Senate Bill 416, but does not anticipate the need for additional staff in order to assume the responsibilities outlined in the bill.

9. Specific agency or political subdivisions affected: State Corporation Commission and its Bureau of Insurance and Information Technology Division

10. Technical amendment necessary: No

11. Other comments: This bill was stricken in committee on January 28, 2008.

Date: 01/19/08 / V. Tompkins

cc: Secretary of Commerce and Trade
Secretary of Health and Human Resources