

State Corporation Commission 2012 Fiscal Impact Statement

1. Bill Number: HB871

House of Origin	<input type="checkbox"/>	Introduced	<input type="checkbox"/>	Substitute	<input checked="" type="checkbox"/>	Engrossed
Second House	<input checked="" type="checkbox"/>	In Committee	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Enrolled

2. Patron: Rust

3. Committee: Commerce and Labor

4. Title: Insurance agents; limited burial insurance authority.

5. Summary: Insurance agents; limited burial insurance authority. Expands the definition of “limited burial insurance authority” from the authority to sell, solicit, or negotiate burial insurance society memberships to burial insurance society memberships or group insurance certificates where the memberships or certificates are used to fund preneed funeral contracts. The bill also removes the \$10,000 cap on burial insurance society memberships or group life insurance certificates that are used to fund preneed funeral contracts.

6. Budget amendment necessary: No

7. Fiscal Impact Estimates: No Fiscal Impact on the State Corporation Commission

8. Fiscal implications: None on the State Corporation Commission

9. Specific agency or political subdivisions affected: State Corporation Commission Bureau of Insurance

10. Technical amendment necessary: No

11. Other comments: Although House Bill 871 would allow an agent with a limited lines license to sell a life insurance policy with a death benefit that exceeds \$10,000, the Bureau of Insurance believes that these agents will be properly qualified to sell this product even with an increased death benefit since the benefit is strictly tied to the amount of funeral services provided in the preneed contract.

House Bill 871 was engrossed after some technical amendments on January 24, 2012.

Date: 02/05/12/V. Tompkins

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