

Individual State Agency Fiscal Note

Bill Number: 1061 HB	Title: Insurance producer education	Agency: 160-Office of Insurance Commissioner
-----------------------------	--	---

Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.2	0.0	0.1	0.0	0.0
Account					
Insurance Commissioners Regulatory Account-State 138-1	24,613	0	24,613	0	0
Total \$	24,613	0	24,613	0	0

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Michelle Rusk	Phone: 360-786-7153	Date: 01/09/2023
Agency Preparation: Andrew Davis	Phone: 360-725-7170	Date: 01/09/2023
Agency Approval: Michael Wood	Phone: 360-725-7007	Date: 01/09/2023
OFM Review: Jason Brown	Phone: (360) 742-7277	Date: 01/09/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

Section 1(2)(c) removes the requirement for individuals applying for a resident insurance producer license to complete a preclicensing course of study for the lines of authority for which the person applied.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Section 1(2)(c) removes the requirement for individuals applying for a resident insurance producer license to complete a preclicensing course of study for the lines of authority for which the person applied. The Office of Insurance Commissioner (OIC) will be required to make changes to its Information Technology (IT) systems to turn off and remove the preclicensing exam functionality. The IT changes will be minor in nature and can be absorbed through the normal course of OIC business.

Section 1 will require 'simple' rulemaking, in FY2024, to revise several existing rules under Chapter 284-17 WAC that pertain to preclicensing education requirements.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
138-1	Insurance Commissioners Regulatory Account	State	24,613	0	24,613	0	0
Total \$			24,613	0	24,613	0	0

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.2		0.1		
A-Salaries and Wages	14,891		14,891		
B-Employee Benefits	4,799		4,799		
C-Professional Service Contracts					
E-Goods and Other Services	4,923		4,923		
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	24,613	0	24,613	0	0

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
Functional Program Analyst 4	80,952	0.1		0.0		
Senior Policy Analyst	108,432	0.1		0.1		
Total FTEs		0.2		0.1		0.0

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Section 1 will require ‘simple’ rulemaking, in FY2024, to revise several existing rules under Chapter 284-17 WAC that pertain to preclicensing education requirements.