



www.lsc.ohio.gov

OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
and Drafting

Legislative Budget
Office

H.B. 339
133rd General Assembly

Fiscal Note & Local Impact Statement

[Click here for H.B. 339's Bill Analysis](#)

Version: As Recommended to Senate Insurance & Financial Institutions

Primary Sponsor: Rep. Merrin

Local Impact Statement Procedure Required: No

Ruhaiza Ridzwan, Senior Economist

The bill proposes to make a number of changes to insurance law. Most of those changes are technical and corrective in nature and have no fiscal effect. The following provisions have minimal fiscal effects on the state, and one of the provisions may have a minimal fiscal effect on local courts. Please refer to the LSC bill analysis for a detailed description of the bill's changes and corrections.

The bill allows a nonresident that is licensed as a public insurance adjuster and is in good standing in the applicant's home state to receive a certificate of authority to be a public insurance adjuster in Ohio. The bill specifies that a regional council of governments that is operating a self-funded health benefit program but does not act as a third-party administrator for such program is, under specified circumstances, not engaged in the business of insurance and is not subject to Ohio's insurance laws. The bill also extends the amount of time a life insurance policy may be backdated from three to six months.

The bill moves the deadline for a surety bail bond agent's registration with the clerk of the court from August 1 of each odd-numbered year to April 1 of each odd-numbered year and changes the deadline for the clerk of the court to make available a list of court-registered surety bail bond agents to the appropriate holding facility, jail, correction facility, or other similar entity within the court's jurisdiction annually from September 1 to May 1. The bill also changes the deadline for the renewal of a surety bail bond agent license from the last day of February to the first day of April. The bill expands the assigned risk insurance plan to include all automobile liability insurance policies. Under existing law, only private passenger automobile liability insurance policies could be issued by the assigned risk insurance plan.

Fiscal effect

The bill may minimally increase the Department of Insurance's administrative cost due to the provisions described above. Any increase in such cost would be paid from the Department of Insurance Operating Fund (Fund 5540).¹ Allowing public insurance adjusters who are not residents of Ohio but are licensed as such in another state to be awarded a certificate of authority to be a public insurance adjuster in Ohio may lead to the filing of some additional applications for a certificate of authority, thereby increasing revenue to Fund 5540; the initial application fee is \$100 per certificate of authority and an additional \$50 fee for each member, officer, or director authorized to act as a public insurance adjuster under the certificate, and a renewal fee of \$50, unchanged by the bill. Currently, the Superintendent of Insurance waives the examination requirement and issues a certificate of authority to public insurance adjusters licensed in certain states; current practice would therefore act to mitigate any increase in revenue to Fund 5540.

Changes to the timing of surety bail bond agents' registrations with clerks of courts may create minimal, one-time costs to alter printed forms and notices posted on a court's website.

HB0339RS/lb

¹ Revenue to Fund 5540 comes from various fees imposed on insurance companies, primarily insurance agent license fees and agent appointment fees.