

PREPARED BY: Sandy Sostad
 DATE PREPARED: January 11, 2011
 PHONE: 471-0054

LB 72

Revision: 00

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2011-12		FY 2012-13	
	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 72 provides that insurance companies will be subject to the Unfair Insurance Claims Settlement Practices Act if they fail to pay interest as currently prescribed by state law on life insurance policies. It is possible the bill could result in the payment of a monetary penalty by an insurance company found guilty of not paying interest as required. The penalty cannot be more than \$1,000 per violation or \$30,000 in the aggregate. Fines for flagrant acts may be not more than \$15,000 per violation or \$150,000 in the aggregate. Any increase in revenue from fines imposed pursuant to the bill accrues to the Permanent School Fund. No fiscal impact can be determined because the number of violations is unknown.