



Senate Fiscal Agency
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BILL



ANALYSIS

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House Bill 5890 (as passed by the House)
Sponsor: Representative Deb Shaughnessy
House Committee: Insurance
Senate Committee: Insurance

Date Completed: 11-27-12

CONTENT

The bill would amend the Insurance Code to eliminate a \$3 fee for an insurance agent, solicitor, counselor, or adjuster to change his or her mailing address on file with the Commissioner of Financial and Insurance Regulation, and require such a person to notify the Commissioner of his or her electronic mail address.

Under the Code, an applicant for a license to act as an agent, solicitor, counselor, or adjuster must report his or her mailing address to the Commissioner. An agent, solicitor, counselor, or adjuster must notify the Commissioner of any change in his or her mailing address within 30 days after the change. The Commissioner must maintain each address on file. Under the bill, these requirements also would apply to a person's electronic mail address.

Currently, a fee of \$3 must accompany each change of address to cover the costs of recording the change. The fee must be turned over to the State Treasurer and credited to the General Fund. The bill would eliminate the fee.

MCL 500.1238

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

The bill would have a minor negative fiscal impact on the Department of Licensing and Regulatory Affairs (LARA). Eliminating the \$3 change-of-address fee would reduce revenue LARA uses to support the Office of Financial and Insurance Regulation by about \$80,000 annually. A query of the accounting system showed that in FY 2011-12, approximately \$6.5 million in various licensing and regulatory fees was collected, and \$6.1 million was spent.

Fiscal Analyst: Josh Sefton

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.