Fiscal Note & Local Impact Statement

122 nd General Assembly of Ohio

BILL:	**Am. S.B. 70**	DATE:	**April 29, 1997**
STATUS:	**As Reported by Senate Insurance, Commerce & Labor**	SPONSOR:	**Sen. Dix**

LOCAL IMPACT STATEMENT REQUIRED: **No** **No local cost**

CONTENTS: **Makes (1) the cancellation or refusal to issue or renew a life/health insurance policy or because the applicant/insured is a victim of domestic violence or a provider of services to victims of domestic violence and (2) the denial or limiting of coverage of a claim arising from domestic violence unfair practices**

State Fiscal Highlights

STATE FUND	FY 1997	FY 1998	FUTURE YEARS
State Special Revenue Fund 554 (Operating)			
Revenues	Potential minimal gain	Potential minimal gain	Potential minimal gain
Expenditures	Potential minimal increase	Potential minimal increase	Potential minimal increase

- If an insurer is accused of a violation there would be minimal costs incurred by the department for a hearing; a potential recovery of not more than one-half of the expenses if the Superintendent finds that said violation occurred.

Local Fiscal Highlights

- No direct fiscal effect on political subdivisions.

Detailed Fiscal Analysis

The Department of Insurance was unable to provide any information on the number of life or health insurance policies that were cancelled, not renewed or not issued based upon the status of the applicant or insured as a victim of domestic violence or as a social worker or counselor who renders services to victims of domestic violence. Also, there are no reported statistics on the number of claims that were denied coverage because they arose from acts of domestic violence. However, the possible number is believed to be minimal and would not have a significant effect on the cost of premiums to state or local governments. An inclusion of civil and criminal liability for insurers acting in compliance with the provisions of the bill should have no direct fiscal effect on the state or local governments.

The Superintendent of Insurance or any aggrieved person may initiate the process to conduct a hearing to determine if an unfair or deceptive act or practice in violation of §3901.20 of the Revised Code has occurred. The Department of Insurance would use existing revenue from State Special Revenue Fund 554 (Operating) to cover the cost of such a hearing. Some of the expenses may be recovered if the Superintendent finds that a violation has occurred. Section 3901.22 (D)(5) allows the Superintendent to order the violator to pay the state treasury for credit to the department's operating fund an amount, not in excess of one hundred thousand dollars, equal to one-half of the expenses reasonably incurred to retain attorneys, actuaries, accountants and other experts not otherwise a part of the superintendent's staff to assist directly with respect to violations committed by such person.

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