

**FISCAL NOTE**  
**Requested by Legislative Council**  
**01/07/2019**

Amendment to: HB 1219

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2017-2019 Biennium		2019-2021 Biennium		2021-2023 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>				\$8,625		\$3,450
<b>Expenditures</b>				\$112,970		\$112,970
<b>Appropriations</b>				\$112,970		\$112,970

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2017-2019 Biennium	2019-2021 Biennium	2021-2023 Biennium
<b>Counties</b>			
<b>Cities</b>			
<b>School Districts</b>			
<b>Townships</b>			

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

HB 1219 would create and enact a section of the NDCC relating to public adjuster licensing, as well as contracts between insured homeowners and residential contractors. This would more clearly define the existing licensing requirements as well as provide additional consumer protections.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section two of the bill defines public adjusters and establishes the licensing requirements, including fees.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

This bill subjects public adjusters to the fees outlined in 26.1-01-07, which is an initial application fee of \$100 and a \$25 annual renewal fee. The Department estimates that 69 public adjusters will apply in fiscal year 2020, and then renew in the following years. All fees would be deposited into the Insurance Regulatory Trust Fund.

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The Insurance Department would need an additional Licensing Specialist I to handle the increased workload. The total salary and benefits for the biennium would be \$112,970, paid from the Insurance Regulatory Trust Fund.

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

The Insurance Department would need an additional \$112,970 appropriated from the Insurance Regulatory Trust Fund to fund the FTE outlined above.

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