

OFFICE OF FISCAL ANALYSIS

Legislative Office Building, Room 5200
Hartford, CT 06106 ◊ (860) 240-0200
<http://www.cga.ct.gov/ofa>

sSB-841

AN ACT CONCERNING THE INSURANCE DEPARTMENT'S
RECOMMENDED CHANGES TO THE INSURANCE STATUTES.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 22 \$	FY 23 \$
Insurance Dept.	GF - Potential Revenue Gain	Minimal	Minimal

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill results in a potential minimal revenue gain to the General Fund to the extent additional fines or penalties are assessed for violations of the Connecticut Unfair Insurance Practices Act (CUIPA). The bill prohibits certain actions by insurers related to genetic testing results and makes such actions a violation of CUIPA. CUIPA fines can range from \$5,000 per violation up to a maximum of \$250,000 in aggregate penalties per entity in any six-month period.

The remaining provisions of the bill are not anticipated to result in a fiscal impact as they (1) codify existing Insurance Department administrative policy for homeowner insurance policy cancellations, (2) require the Commissioner to include a benchmark loss ratio in credit insurance rate reviews, and (3) reduce hours of study, but no fees paid to the state, for insurance producer licensing.

The Out Years

The annualized ongoing fiscal impact identified above would

Primary Analyst: MP
Contributing Analyst(s): CW
Reviewer: RJW

4/6/21

continue into the future subject to the penalties assessed.

Sources: Connecticut Insurance Department