

OFFICE OF FISCAL ANALYSIS

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sHB-6981

AN ACT CONCERNING ELECTRONIC POSTING OF CERTAIN DOCUMENTS BY INSURERS, NONRENEWAL OR CANCELLATION OF PROPERTY AND CASUALTY INSURANCE POLICIES, FEDERAL HOME LOAN BANKS AND THE INSURERS REHABILITATION AND LIQUIDATION ACT, HYPOTHECATION OF ASSETS AND SURPLUS LINES INSURANCE.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 26 \$	FY 27 \$
Insurance Dept.	IF - Cost	30,000 - 50,000	None

Note: IF=Insurance Fund

Municipal Impact: None

Explanation

The bill requires the Insurance Department to conduct a study of digital insurance payment processing systems by February 1, 2026.¹ This results in a one-time cost of \$30,000 to \$50,000 to the Insurance Fund in FY 26 associated with hiring a contractor to complete the study.

Other sections of the bill modify: (1) insurer requirements regarding certain communications with insureds; and (2) requirements of Federal Home Loan Banks and Surplus Lines Insurance. These sections result in no fiscal impact because the Insurance Department does not anticipate a meaningful increase in workload.

The Out Years

The cost is one-time in nature and does not result in a fiscal impact in

¹ Section 16 of the bill

the out years.