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## FISCAL IMPACT REPORT

ORIGINAL DATE 02/11/11

SPONSOR Stapleton LAST UPDATED 02/28/11 HB 240/aHHGAC

SHORT TITLE Orders & Notices By Insurance Superintendent SB \_\_\_\_\_

ANALYST Lucero

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

FY11	FY12	FY13	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
	Minimal \$0 - \$1.0	Minimal \$0 - \$1.0	Minimal \$0 - \$1.0	Recurring	Insurance Operations Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Public Regulation Commission (PRC)

### SUMMARY

#### Synopsis of HHGAC Amendment

House Health and Government Affairs Committee (HHGAC) amendment to House Bill 240 clarifies that the bill only applies to revocation or cancellation notices.

#### Synopsis of Original Bill

House Bill 240 proposes to amend Section 59A-2-10 NMSA 1978, to require the Superintendent of Insurance, or the Superintendent's designee to send out an order or notice by certified mail, return receipt requested. In addition, if the order or notice was sent by certified mail then the order shall be deemed given ten days after being mailed.

### FISCAL IMPLICATIONS

According to the PRC, the HHGAC amendment would apply to about 200 license revocations or cancellation notices, or about \$1 thousand dollars.

There could a minimal cost associated with updating Statutes and the New Mexico Administrative Code. There may also be a minimal postage cost increase.

**SIGNIFICANT ISSUES**

The bill could potentially conflict with the requirements of certain sections of the New Mexico Administrative Code (NMAC) that outline the process in which an order or notice must be delivered and in some cases, the computation of time of delivery. Examples of those sections are 13.4.3.6., 13.4.6.10., 13.8.2.11., 13.8.4.7., 13.10.17.8., NMAC.

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