

Bill Summary
2nd Session of the 57th Legislature

Bill No.:	SB 1694
Version:	CS
Request No.:	3861
Author:	Sen. Quinn
Date:	02/25/2020

Committee Substitute (CS)

The CS for SB 1694 creates the Oklahoma Health Insurance Mandate Legislation Actuarial Analysis Act. The measure requires mandate bills, as defined in the CS, to be forwarded to the Legislative Actuary, who shall determine whether the bill is a mandate bill having a fiscal impact or a mandate bill not having a fiscal impact. The Actuary will then provide a written certification of that determination to the bill's author. The certification shall be attached to the bill.

Mandate bills with a fiscal impact must be introduced in an odd-numbered year and passed in an even-numbered year. Any bill introduced in an even-numbered year may not be considered by the Legislature. If the mandate bill passes through committee, the measure shall be forwarded again to the Legislative Actuary, who shall be required to conduct an actuarial investigation. The Actuary must complete his or her investigation no later than December 1 of each year. The investigation shall examine whether the proposed legislation shall positively or negatively impact health premiums and assess the financial and social impacts of the bill. Upon concluding the investigation, the Actuary shall submit his or her findings to the relevant Chair.

The bill may be considered by the Legislature for final passage in the following Session if the bill is not amended. Amendments with a fiscal impact, as determined by the Actuary, shall be out of order following the investigation. The enrolled act resulting from a mandate bill shall have attached to it a copy of all certificates and summaries of actuarial investigations submitted by the Legislative Actuary.

Prepared by: Kalen Taylor

Fiscal Analysis

FY'21 Impact: None

Full Year Impact: \$20,000.00

SB 1694 requires actuarial analysis on insurance coverage mandate bills that are approved for analysis and referred from legislative committees. Insurance mandate legislation that has a fiscal impact shall only be introduced in odd numbered years. Over the last few legislative sessions, there have been an average of less than five pieces of insurance mandate legislation being reported from the respective insurance committees of the legislature. Considering that an actuarial analysis is required for legislation impacting pensions, and that we see a similar amount

of legislation compared with insurance coverage mandates, it is expected that the Legislative Service Bureau would incur similar actuarial consulting costs for insurance coverage mandates. In the last two fiscal years, the Legislative Service Bureau has expended an average of \$20,000 for actuarial consulting related to legislation impacting pensions. The same annual average is expected for this legislation, about \$40,000, occurring mostly in odd numbered years.

Prepared by: Fiscal Staff