

**BILL SUMMARY**  
2<sup>nd</sup> Session of the 58<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>SB 1354</b>
<b>Version:</b>	<b>ENGR</b>
<b>Request Number:</b>	
<b>Author:</b>	<b>Rep. Mize/Sen. Quinn</b>
<b>Date:</b>	<b>4/11/2022</b>
<b>Impact:</b>	<b>GRF: (\$1,533,878)</b>
	<b>OID: (\$471,191)</b>

**Research Analysis**

SB 1354 provides that service warranties may be collectively covered by one or more insurers and updates statutory requirements to reflect this change. The measure also eliminates the quarterly administrative fee of 2% of the gross provider fee received on the sale of all service warranties and instead requires each service warranty association to pay an annual administrative flat fee of \$3,000.00.

Prepared By: Dan Brooks

**Fiscal Analysis**

According to the Oklahoma Insurance Department, the removal of the two percent (2%) gross provider fee replaced with a flat three thousand dollar (\$3,000) administrative fee would result in a decrease in revenue for OID and the General Revenue Fund. OID estimates the decrease in revenue for the GRF to be about one million, five hundred thirty-three thousand, eight hundred seventy-eight dollars (\$1,533,878) and estimates the decrease to its own revolving fund to be about four hundred seventy-one thousand, one hundred ninety-one dollars (\$471,191), based on previous collections. The breakdown of the revenue split for this fee is 76.5% to the GRF and 23.5% to OID per 36 O.S. § 307.3.

Therefore, given the above, the impact to the State is a decrease in revenue of about \$1,533,878.

Prepared By: Mariah Searock

**Other Considerations**

None.