

**SENATE BILL REPORT**

**EHB 2661**

**AS OF FEBRUARY 21, 1992**

**Brief Description:** Increasing the charges for insurance premium financing.

**SPONSORS:** Representative Beck

**HOUSE COMMITTEE ON FINANCIAL INSTITUTIONS & INSURANCE**

**SENATE COMMITTEE ON FINANCIAL INSTITUTIONS & INSURANCE**

**Staff:** Tom Fender (786-7414)

**Hearing Dates:** February 25, 1992

**BACKGROUND:**

Insurance premium finance companies are licensed and regulated by the insurance commissioner. Premium finance companies may charge \$10 per \$100 of the premium amount financed plus an acquisition fee of \$10. This amount is a fixed rate.

**SUMMARY:**

Premium finance companies may charge interest on loans at 1 1/2 percent per month and an administrative charge of \$30.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** none requested