COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0524-01
Bill No.: Perfected HB 69
Subject: Insurance - General; Insurance Dept.
Type: Original
Date: March 22, 2005

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on General Revenue Fund	**$0**	**$0**	**$0**

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on Other State Funds	**$0**	**$0**	**$0**

Numbers within parentheses: ( ) indicate costs or losses.
This fiscal note contains 3 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on All Federal Funds	**$0**	**$0**	**$0**

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Local Government	**$0**	**$0**	**$0**

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Insurance** assume the proposal will have no fiscal impact on their organization.

FISCAL IMPACT - State Government	FY 2006 (10 Mo.)	FY 2007	FY 2008
	$0	**$0**	**$0**

FISCAL IMPACT - Local Government	FY 2006 (10 Mo.)	FY 2007	FY 2008
	$0	**$0**	**$0**

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal allows domestic insurers to invest their capital, reserve, and surplus in bonds; notes or other evidences of indebtedness; or preferred or guaranteed stocks or shares issued, assumed, or guaranteed by a corporation, a joint stock company, an association, a trust, a business partnership, a business joint venture, and other similar entities. These investments must carry at least the second highest designation rating by the National Association of Insurance Commissioners or a nationally recognized rating agency approved by the Department of Insurance. Life insurance company investments in corporations must also meet the requirements of Sections 375.1070 to 375.1075, RSMo, regarding outlines for investing in medium or lower quality institutions.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Insurance

Mickey Wilson

Mickey Wilson, CPA
Director
March 22, 2005