

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. NO.: 3678-01  
BILL NO.: Perfected HB 1544  
SUBJECT: Business and Commerce  
TYPE: Original  
DATE: March 9, 2000

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 2 pages.

**FISCAL ANALYSIS**

**ASSUMPTION**

**Secretary of State** officials assume no fiscal impact as a result of this legislation.

**Department of Insurance** officials assume no fiscal impact as a result of this legislation.

<b><u>FISCAL IMPACT - State Government</u></b>	<b>FY 2001 (10 Mo.)</b>	<b>FY 2002</b>	<b>FY 2003</b>
	\$0	\$0	\$0
<b><u>FISCAL IMPACT - Local Government</u></b>	<b>FY 2001 (10 Mo.)</b>	<b>FY 2002</b>	<b>FY 2003</b>

**FISCAL IMPACT - Small Business**

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

**DESCRIPTION**

This bill clarifies that a not-for-profit business entity formed by 3 or more political subdivisions for the purpose of providing liability insurance for the political subdivisions may distribute dividends to the political subdivisions as long as a surplus of funds remain in the business entity.

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**

Secretary of State  
Department of Insurance



Jeanne Jarrett, CPA  
Director  
March 9, 2000

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