

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. NO.: 3877-01  
BILL NO.: Perfected HB 1596  
SUBJECT: Business and Commerce; Insurance Department  
TYPE: Original  
DATE: March 9, 2000

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None			
<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
None			
<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 3 pages.

**FISCAL ANALYSIS**

**ASSUMPTION**

Officials from the **Department of Economic Development - Division of Finance** assumes this proposal would not fiscally impact their agency.

**Department of Insurance (INS)** officials state that the department may need to develop an annual statement supplementary interrogatory to monitor compliance with this proposal. INS assumes that the one-time development costs, the annual mailing costs, and the annual monitoring of responses could be covered with existing appropriation. INS states that if additional proposals as passed it may be necessary to request additional appropriation due to the combined affect of multiple proposals.

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

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

**FISCAL IMPACT - Small Business**

Some small financial institutions could be fiscally impacted due to the requirements of this proposal.

**DESCRIPTION**

This proposal would allow securities and other related assets that are not exclusively controlled by an insurance company to be held only by business entities that are subject to regulation by the Securities and Exchange Commission, the federal reserve system, or other banking regulator.

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

L.R. NO. 3877-01  
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PAGE 3 OF 3  
March 9, 2000

SOURCES OF INFORMATION

Department of Insurance  
Department of Economic Development  
Division of Finance

A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is cursive and somewhat stylized, with the first name "Jeanne" written in a larger, more prominent script than the last name "Jarrett".

Jeanne Jarrett, CPA  
Director  
March 9, 2000