



**Fiscal Note**  
**H.B. 42 1st Sub. (Buff)**  
 2017 General Session  
 Insurance Related Modifications - As Amended  
 by Dunnigan, J. (Dunnigan, James.)



**General, Education, and Uniform School Funds**

JR4-5-101

	Ongoing	One-time	Total
Net GF/EF/USF (rev.-exp.)	\$0	\$(3,700)	\$(3,700)

**State Government**

UCA 36-12-13(2)(b)

Enactment of this legislation could exempt captive insurance companies and surplus lines insurers from corporate tax. The number and amount of the potential impact is unknown at this time. Enactment of this legislation could also reduce year-end transfers to the General Fund from the Insurance Department Restricted Fund by \$2,200 one-time in FY 2017, \$1,500 one-time in FY 2018, and \$500 one-time in FY 2019.

Revenues	FY 2017	FY 2018	FY 2019
GFR - Insurance Department Account	\$2,200	\$1,500	\$500
General Fund, One-Time	\$(2,200)	\$(1,500)	\$(500)
<b>Total Revenues</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Enactment of this bill could cost the Department of Insurance \$2,200 one-time in FY 2017 for rule development. Additional costs of \$1,500 one-time in FY 2018 and \$500 one-time in FY 2019 could result from rate and form reviews. The agency has indicated that they can absorb the costs within existing budgets. Spending from the Insurance Department Restricted Account impacts year-end transfers to the General Fund.

Expenditures	FY 2017	FY 2018	FY 2019
GFR - Insurance Department Account	\$2,200	\$1,500	\$500
<b>Total Expenditures</b>	<b>\$2,200</b>	<b>\$1,500</b>	<b>\$500</b>

<b>Net All Funds</b>	<b>\$(2,200)</b>	<b>\$(1,500)</b>	<b>\$(500)</b>
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**Local Government**

UCA 36-12-13(2)(c)

Enactment of this legislation likely will not result in direct, measurable costs for local governments.

**Individuals & Businesses**

UCA 36-12-13(2)(d)

Enactment of this legislation could exempt captive insurance companies and surplus lines insurers from corporate tax. The number and amount of the potential impact is unknown at this time.

No performance note required for this bill

**Notes on Notes**

Fiscal notes estimate the direct costs or revenues of enacting a bill. The Legislature uses them to balance the budget. They do not measure a bill's benefits or non-fiscal impacts like opportunity costs, wait times, or inconvenience. A fiscal note is not an appropriation. The Legislature decides appropriations separately.