

AMENDED NOTE

This bill increases the tax rate on insurance premiums by one-half percent for the period starting July 1, 2000 and ending on June 30, 2006 and puts the increased revenue in the Olene Walker Housing Trust Fund. Assuming a growth rate of 3.5 percent annually, the total amount over the 6 years is estimated at \$69.2 million.

The Insurance Department would have to hire additional help or authorize overtime to process an estimated 6,660 additional filings by insurance companies at a cost of \$5,000. Filing fees would generate approximately \$133,000 to the General Fund.

	<u>FY 01 Approp.</u>	<u>FY 02 Approp.</u>	<u>FY 01 Revenue</u>	<u>FY 02 Revenue</u>
General Fund	\$5,000	\$0	\$133,000	\$0
Trust Funds	\$0	\$0	\$10,598,700	\$10,959,000
TOTAL	<u><u>\$5,000</u></u>	<u><u>\$0</u></u>	<u><u>\$10,731,700</u></u>	<u><u>\$10,959,000</u></u>

Individual and Business Impact

The bill would increase insurance premiums by 0.5 percent. This increase may be passed on to insureds. Processing filings would cost insurance companies about \$133,000 total.
