

**State Impact**

If this bill passes it will impact premiums even though there is no mechanism to raise rates. Therefore, Risk Management will need an additional \$1,200,000 in FY 2001 to cover the increased risk to the state and to local governments covered by Risk Management.

The expected premium increase for FY 2002 would be \$1,150,000 - shown as General Fund because there would be no mechanism to change rates after the session. It is possible that a supplemental rate change could be passed during the 2002 General Session, but the change would only redistribute funding, it would not change the impact.

General Fund	\$1,150,000	\$452,800	\$0	\$0
Uniform School Fund	\$0	\$38,700	\$0	\$0
Transportation Fund	\$0	\$552,700	\$0	\$0
Federal Funds	\$0	\$49,700	\$0	\$0
Dedicated Credits Revenue	\$0	\$3,600	\$0	\$0
Restricted Funds	\$0	\$48,400	\$0	\$0
Other	\$0	\$4,100	\$0	\$0
	<u>\$1,150,000</u>	<u>\$1,150,000</u>	<u>\$0</u>	<u>\$0</u>

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**Individual and Business Impact**

Individuals who have claims against the state for liability could see larger rewards as a result of this bill.

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