

## **Department of Planning and Budget 2016 Fiscal Impact Statement**

**1. Bill Number:** HB1239

<b>House of Origin</b>	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
<b>Second House</b>	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

**2. Patron:** Wright

**3. Committee:** House Committee on Commerce and Labor

**4. Title:** Fire Programs Fund

**5. Summary:** Increases the rate of the assessment for the Fire Programs Fund from one to 1.4 percent of the total direct gross premium income for fire and related lines of insurance.

**6. Budget Amendment Necessary:** No

**7. Fiscal Impact Estimates:** Preliminary (see Item #8)

**8. Fiscal Implications:** This legislation would increase the Fire Programs Fund (“FPF”) assessment rate on fire and related lines of insurance from 1 percent to 1.4 percent. Assessments are collected by the Bureau of Insurance division of the State Corporation Commission and deposited into the FPF.

In the most recently completed fiscal year, approximately \$35 million was deposited into the FPF as a result of the 1 percent levy. If the assessment rate is increased to 1.4 percent and collection rates remain stable, the FPF would likely collect an additional \$14 million.

**9. Specific Agency or Political Subdivisions Affected:** Department of Fire Programs, State Corporation Commission

**10. Technical Amendment Necessary:** No

**11. Other Comments:** None