

FISCAL NOTE

Bill #: HB0542

Title: Transfer duties for collecting surplus lines stamping fee

Primary Sponsor: John Musgrove

Status: As Introduced

Sponsor signature	Date	Chuck Swysgood, Budget Director	Date
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Fiscal Summary

	<u>FY2002 Difference</u>	<u>FY2003 Difference</u>
Expenditures:		
State Special Revenue	52,115	49,615
Revenue:		
State Special Revenue	80,000	80,000
Net Impact on General Fund Balance:	\$0	\$0

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
	X	Significant Local Gov. Impact		X	Technical Concerns
	X	Included in the Executive Budget		X	Significant Long-Term Impacts
	X	Dedicated Revenue Form Attached		X	Family Impact Form Attached

Fiscal Analysis

ASSUMPTIONS:

1. Under current law, a surplus lines advisory organization regulates surplus lines. This operation is funded by a 1% stamping fee authorized under 33-2-321, MCA.
2. In the event a surplus lines advisory organization is not operating the stamping fee operations, the State Auditor's Office will have to assume the operations of the stamping fee process.
3. The State Auditors Office would need 1.00 FTE, a grade 14 Compliance Specialist, to perform these duties.

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4. It is estimated that the 1% stamping fee will be approximately \$80,000.

FISCAL IMPACT:

	FY2002 <u>Difference</u>	FY2003 <u>Difference</u>
FTE	1.00	1.00
<u>Expenditures:</u>		
Personal Services	34,615	34,615
Operating Expenses	<u>17,500</u>	<u>15,000</u>
TOTAL	\$52,115	\$49,615
<u>Funding:</u>		
State Special Revenue (02)	\$52,115	\$49,615
<u>Revenues:</u>		
State Special Revenue (02)	\$80,000	\$80,000
<u>Net Impact to Fund Balance (Revenue minus Expenditure):</u>		
State Special Revenue (02)	\$27,885	\$30,385