



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2015 Biennium

Bill #	SB0391	Title:	Revise laws related to sale of non-profit insurance companies
Primary Sponsor:	Kaufmann, Christine	Status:	As Introduced

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|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input type="checkbox"/> Needs to be included in HB 2 | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2014 Difference</u>	<u>FY 2015 Difference</u>	<u>FY 2016 Difference</u>	<u>FY 2017 Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Description of fiscal impact:

SB391 revises the distribution of proceeds from a conversion transaction of a non-profit health entity and creates a health trust account with the interest to be appropriated by the Legislature for the purpose of providing increased access to health care, including public programs administered by the Department of Public Health and Human Services (DPHHS).

FISCAL ANALYSIS

Assumptions:

1. Under current law, funds made available through a conversion transaction would not be subject to legislative appropriation. SB 391 would make any interest earnings made available from a conversion transaction subject to appropriation by the legislature.
2. DPHHS is unable to determine the fiscal impact of SB 391 due to the lack of knowledge regarding an effective date for any conversion transaction of a nonprofit health entity and the inability to determine any available funding resulting from a transaction of this nature.

Technical Notes:

1. Section 2 (2) states, “Interest from the trust account may be appropriated by the legislature...” and Section 2 (3) states, “Interest and income from the investment of funds in the account must be credited to the account”. This section may be in conflict, as it pertains to the interest earnings of the trust. Some similar trusts have their interest earnings diverted to a state special revenue account, from which an appropriation could occur.

Sponsor’s Initials

Date

Budget Director’s Initials

Date