

1 *House* BILL NO. 446  
 2 INTRODUCED BY *Carlisle* *Harmon* *Miss Mendelsohn* *Spink*  
 3 *Suber* *Beaudry* *Melubal* *Quiser* *Jim* *Stinson*  
 4 *McArthur*

4 A BILL FOR AN ACT ENTITLED: "AN ACT INCREASING THE AMOUNT OF INSURANCE PREMIUM TAXES  
 5 USED TO FUND BENEFITS UNDER THE VOLUNTEER FIREFIGHTERS' COMPENSATION ACT; AMENDING  
 6 SECTION 19-17-301, MCA; AND PROVIDING AN EFFECTIVE DATE."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 **Section 1.** Section 19-17-301, MCA, is amended to read:

11 **"19-17-301. Fire insurance premium tax to be paid into pension trust fund.** The state auditor and  
 12 ex officio commissioner of insurance shall annually deposit in the pension trust fund a sum equivalent to  
 13 ~~5%~~ 5.5% of the premium taxes collected from insurers authorized to effect insurance against risks  
 14 enumerated in 19-18-512. The sum must be computed before the amounts provided for by 19-13-604 and  
 15 19-18-512 are deducted. The money must be used for the payment of claims, benefits, and administrative  
 16 costs as provided in this chapter. The money is statutorily appropriated as provided in 17-7-502."

18 **NEW SECTION. Section 2. Effective date.** [This act] is effective July 1, 1997.

19 -END-

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for HB0446, as introduced

DESCRIPTION OF PROPOSED LEGISLATION:

An act increasing the amount of insurance premium taxes used to fund benefits under the volunteer firefighters' compensation act.

ASSUMPTIONS:

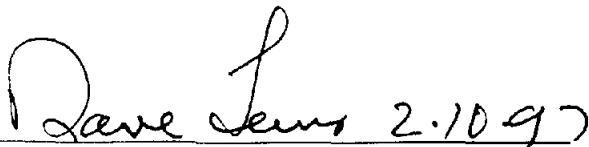
1. This bill will not increase premium taxes collected from insurers against risks enumerated in 19-18-512, MCA.
2. This bill will shift .5% of the current premium taxes collected from insurers against risks enumerated in 19-18-512, MCA, from the general fund to the volunteer firefighters' pension fund.
3. Premium taxes collected from insurers authorized to effect insurance against risks enumerated in 19-18-512, MCA, are estimated to be \$19,400,000 in FY98 and \$20,560,000 in FY99. The amount shifted in FY98 is \$97,000 (\$19.4 million x .5%) and FY99 is \$102,800 (\$20.56 million x .5%).
4. As a result of this bill, benefits paid to retirees or other benefit recipients will not change.

FISCAL IMPACT:

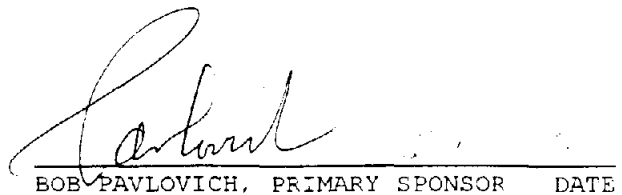
	<u>FY98</u> <u>Difference</u>	<u>FY99</u> <u>Difference</u>
<u>Revenues:</u>		
General fund (01)	(97,000)	(102,800)
Pension trust fund (09)	97,000	102,800
<u>Net Impact on Fund Balance:</u>		
General fund (01)	(97,000)	(102,800)

TECHNICAL NOTES:

Additional funding is not actuarially required to provide the level of benefits currently provided by this system.

 Dave Lewis 2.10.97

DAVE LEWIS, BUDGET DIRECTOR      DATE  
Office of Budget and Program Planning

 Bob Pavlovich

BOB PAVLOVICH, PRIMARY SPONSOR      DATE

Fiscal Note for HB0446, as introduced

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