

# SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

BILL: SB 1240  
 SPONSOR: Senator Clary  
 SUBJECT: Insurance Regulatory Trust Fund  
 DATE: February 6, 2004      REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Kynoch</u>	<u>Hayes</u>	<u>AGG</u>	<u>Favorable</u>
2.	_____	_____	<u>AP</u>	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

**I. Summary:**

This legislation re-creates the Insurance Regulatory Trust Fund without modification. The Insurance Regulatory Trust Fund, FLAIR #43-2-393 is administered by the Office of Insurance Regulation of the Financial Services Commission, which is administratively housed in the Department of Financial Services. This fund was last re-created effective November 4, 2000, by Chapter 99-118, Laws of Florida.

**II. Present Situation:**

Section 624.523, F.S., creates the Insurance Regulatory Trust Fund. The purpose of this fund is to provide funding for the regulation of the insurance and fire protection industries. The sources of revenue are licenses, fees, fines and taxes from the insurance and fire protection industries. Fund revenues are provided under various cites in Chapter 624, F.S.; sections 552.21; 552.26(1), (2); 554.111(3); 625.161(4); 626.322; 626.932; 626.938; 633.061(7); 627.221; 627.728; 627.849; 632.628, F.S.; fines and penalties pursuant to sections 440.52; 489.533; 552.161; 624.310; 625.83; 626.936; 629.401; and 119.07, F.S. According to LAS/PBS data, receipts to this fund for FY 2002-2003 were \$143.6 million.

**III. Effect of Proposed Changes:**

This bill re-creates the trust fund without modification.

**IV. Constitutional Issues:**

A. Municipality/County Mandates Restrictions:

None.

**B. Public Records/Open Meetings Issues:**

None.

**C. Trust Funds Restrictions:**

None.

**V. Economic Impact and Fiscal Note:****A. Tax/Fee Issues:**

None.

**B. Private Sector Impact:**

None.

**C. Government Sector Impact:**

This legislation has no fiscal impact on state agencies or state funds, on local governments as a whole or on the private sector. It simply re-creates, without modification, an existing state trust fund and continues the current use of the fund.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Amendments:**

None.