

(Prepare in triplicate)

FISCAL NOTE

Prepared in regard to:

Senate Bill 327
(list bill or resolution and number, if available, or subject
Amentment to: _____
(list bill or resolution and number)

REQUESTED BY: L. R. G. DATE OF RECEIPT 2-4 1965

In the following space note the fiscal effect in dollars of the legislative proposal. If additional space is needed attach a supplementary sheet. Please type.

Senate Bill No. 327 would eliminate the State Hail Insurance Department on January 1, 1966. The State Hail Insurance Fund on February 1, 1965, with accrued interest, had a balance of \$768,451.34. There were no claims in suit, disallowed or pending as of February 1, 1965. There was, however, an obligation of \$1,000,000 to the State Bonding Fund. The effect of Senate Bill 327 would depend upon the premium income and hail losses occurring before the termination of the department. Unless an extraordinary large gain in surplus occurred, the Hail Insurance Fund would not be sufficient to repay the State Bonding Fund; hence, no transfer to the General Fund would occur.

Date of preparation: 2-10-1965

Signed K. O. NYGAARD
By Edna O. Gaastad
Dep. Comm. of Ins.