



**149th GENERAL ASSEMBLY
FISCAL NOTE
REVISED**

BILL:	HOUSE BILL NO. 77
SPONSOR:	Representative B. Short
DESCRIPTION:	AN ACT TO AMEND TITLE 18 OF THE DELAWARE CODE RELATING TO DEPARTMENT OF INSURANCE OFFICES.

Assumptions:

This Act will become effective upon signature of the Governor.

2. This Act authorizes the Department of Insurance to operate their principal office in the Dover area and an additional branch office within Sussex County.
3. The Department estimates the fiscal impact of this Act will be \$39,384 for the first year and \$28,236 each year thereafter to implement this Act. The costs associated with establishing a Sussex County branch office consists of \$2,000 a month for lease obligations, \$2,400 a year for telecommunication costs, \$1,836 a year for an office equipment lease, a one-time cost of \$6,148 for technology costs and a one-time cost of \$5,000 for office furniture purchases.
4. The Department receives Appropriated Special Funding (ASF) authority, which allows them to spend funds that are received outside the normal General Fund appropriations. The Insurance Commissioner's revenue for these funds is generated from fees charged to insurance companies domiciled in the State of Delaware. The Department will use the Insurance Commissioner Regulatory Revolving Fund as authorized under Title 18 Del C. § 305 to establish a Sussex County branch office.
5. The maximum unencumbered balance which shall remain in the Insurance Commissioner Regulatory Revolving Fund at the end of any fiscal year effective as of June 30, 2005 shall be \$1,400,000 and any amount in excess thereof shall cause the Insurance Commissioner to reduce assessments or fees collected in the next fiscal year by an amount sufficient to reduce the Regulatory Revolving Fund fiscal year-end balance back to or below \$1,400,000.

Cost: Appropriated Special Funding (ASF)

Fiscal Year 2018	\$39,384
Fiscal Year 2019	\$28,236
Fiscal Year 2020	\$28,236

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Office of the Controller General