

Bill Summary
2nd Session of the 57th Legislature

Bill No.:	SB 1794
Version:	INT
Request No.:	2725
Author:	Sen. Thompson
Date:	02/19/2020

Bill Analysis

SB 1794 directs the Insurance Commissioner to disperse all fees and revenues collected under the Oklahoma Captive Insurance Company Act to certain entities beginning July 1, 2020. The measure apportions the revenue as follows:

- A) The first \$500,000.00 shall be disbursed in the following manner
 - 1) Oklahoma Firefighters Pension and Retirement Fund shall receive 36%
 - 2) Oklahoma Police Pension and Retirement System shall receive 14%
 - 3) Law Enforcement Retirement Fund shall receive 5%
 - 4) General Revenue Fund shall receive 45%
- B) The next \$250,000.00 shall be disbursed into the State Insurance Commissioner Revolving Fund to administer the Oklahoma Captive Insurance Company Act
- C) Anything above \$750,000.00 shall be disbursed in the following manner
 - 1) Oklahoma Firefighters Pension and Retirement Fund shall receive 36%
 - 2) Oklahoma Police Pension and Retirement System shall receive 14%
 - 3) Law Enforcement Retirement Fund shall receive 5%
 - 4) General Revenue Fund shall receive 15%
 - 5) The Insurance Department shall retain 30% of the funds and deposit them into the State Insurance Commissioner Revolving Fund

Prepared by: Kalen Taylor

Fiscal Analysis

FY'21 Impact: No impact if revenue is flat.

Full Year Impact: No impact if revenue is flat.

SB 1794 modifies the apportionment of the captive insurance premium tax. For tax revenues of up to \$500,000, there will be no change in the amount apportioned to the General Revenue Fund. For any amounts of revenue over \$500,000, there will be a negative impact to the General Revenue Fund. Last fiscal year, revenues generated from captive insurance premium taxes totaled approximately \$500,000. If revenues stay flat, there will be no fiscal impact.

Prepared by: Fiscal Staff