

Department of Legislative Services
Maryland General Assembly
1999 Session

FISCAL NOTE

House Bill 479 (Delegate R. Baker. *et al.*)

Economic Matters

Task Force to Study the Creation of an Insurance Industry Community Investment Fund

This bill establishes a 22-member Task Force to Study the Creation of an Insurance Industry Community Investment Fund.

This bill is effective June 1, 1999, and a final report of the task force is due to the Governor and the General Assembly by January 1, 2000.

Fiscal Summary

State Effect: None. The bill's requirements could be handled with existing resources.

Local Effect: None.

Small Business Effect: None.

Fiscal Analysis

Bill Summary: The 22-member task force is required to: (1) determine current insurance company investments in Maryland community development activities that directly benefit low income individuals; (2) identify the capital needs for community development and affordable housing in Maryland; (3) determine whether investments from State-derived property/casualty and life insurance premiums can help meet capital needs while maintaining the safety and soundness standards required by the Maryland Insurance Administration; (4) establish the parameters of community development projects that would qualify for investments from such a community investment fund; (5) recommend the entity that will administer investments under the criteria determined by the task force; and (6) consider

possible incentive programs.

The Maryland Insurance Administration and the Department of Legislative Services will staff the task force.

State Expenditures: It is assumed that members would be reimbursed for expenses under the standard State travel regulations. Any expenditures would depend upon the time, location, and frequency of task force meetings. Expenses are assumed to be minimal and able to be handled with existing resources of the government entities represented on the task force. In addition, staff assistance could be provided with existing personnel.

Information Source(s): Department of Legislative Services

Fiscal Note History: First Reader - February 15, 1999

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