



Greg S. **Griffin** State Auditor

March 9, 2021

Honorable Dean Burke Chairman, Senate Committee on Insurance and Labor 421-B State Capitol Atlanta, GA 30334

SUBJECT: Fiscal Note Senate Bill 532 (LC 52 0092)

Dear Chairman Burke:

The bill would require the Office of Insurance and Safety Fire Commissioner (OCI) to establish a Back the Blue Fund. Under this legislation, motor vehicle insurance policyholders would be able to elect to contribute an additional 0.5% of the premium price to the Back the Blue Fund. Companies would forward money by March 1 of each year, and OCI would distribute contributions in equal portions to the sheriff of each county no later than July 1. The Commissioner would be allowed to withhold a reasonable amount each year for administering this program. If the total amount contributed is less than reasonable administrative costs, the Commission shall distribute the fund and defray the costs.

OCI indicated that this legislation would require updating existing software to be able to capture this new information and process the payments to each sheriff. While OCI can absorb the cost of staffing that would be incurred prior to collecting donations, the estimated cost to update the IT system would be approximately \$30,000. This would be a one-time cost, and no recurring costs were identified. Contributions would total approximately \$600,000 annually for each one percent of policyholders who take part in the voluntary contribution,

Respectfully,

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Greg S. Griffin State Auditor

GSG/KF/nac

Kelly Farr

Kelly Farr, Director Office of Planning and Budget