

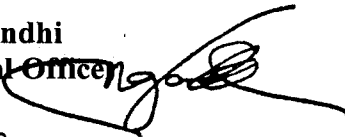
**Government of the District of Columbia
Office of the Chief Financial Officer**



Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

TO: The Honorable Vincent C. Gray
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer 

DATE: DEC 29 2008

SUBJECT: Fiscal Impact Statement: "Limitations on Exposures to Risks and Hazards Technical Amendment Act of 2009"

REFERENCE: Draft: No Bill Number Available

Conclusion

Funds are sufficient in the FY 2009 through FY 2012 budget and financial plan to implement the proposed legislation. The proposed legislation is not anticipated to have a fiscal effect on the District's budget and financial plan.

Background

The proposed legislation would amend D.C. Official Code § 31-2502.12, which limits the risk exposure of an insurance company doing business in the District of Columbia to 10% of its assets. The amendment would allow a deduction to the amount of risk assumed by an insurer for the value of any collateral assets held by or pledged to the insurer for surety.

Financial Plan Impact

Funds are sufficient in the FY 2009 through FY 2012 budget and financial plan to implement the proposed legislation. It is estimated that the proposed legislation would have no fiscal impact.