

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

February 20, 2003

TO: Honorable John T. Smithee, Chair, House Committee on Insurance

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB117 by Burnam (Relating to a rate rollback for homeowners and residential fire and allied lines insurance.), **As Introduced**

No significant fiscal implication to the State is anticipated.

According to the Comptroller of Public Accounts, the proposed rate rollback may exert some downward pressure on individual premiums and insurance premium tax collections. However, the Comptroller of Public Accounts assumes that the rate rollback would promote insurance availability and reduce incentives for taking higher deductibles which would offset potential reductions in premiums and insurance premiums tax collections.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller Of Public Accounts, 454 Department Of Insurance

LBB Staff: JK, JRO, RT, DLBe