

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

February 20, 2005

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

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: HB700 by Bonnen (Relating to the contents of consumer credit reports and to an insurer's use of credit scores in rating policies providing personal insurance coverage.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Business and Commerce Code related to the contents of consumer credit reports and to an insurer's use of credit scores in rating policies providing personal insurance coverage. The Texas Department of Insurance Property and Casualty's Actuarial area reports that they would have to review rate filings for any language not consistent with the bill. Furthermore, the area within the Texas Department of Insurance that reviews underwriting guidelines would need to be aware of any language not consistent with the provisions of the bill. The Department of Insurance indicates that any additional workload could be accomplished by existing resources.

This bill would take effect September 1, 2005.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 359 Office of Public Insurance Counsel, 454 Department of Insurance

LBB Staff: JOB, JRO, MW, NV