

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

May 2, 2005

TO: Honorable Troy Fraser, Chair, Senate Committee on Business & Commerce

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

IN RE: HB2298 by Smithee (Relating to elimination of certain rate rollbacks for insurance premium rates for windstorm insurance.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would amend the Insurance Code relating to elimination of certain rate rollbacks for insurance premium rates for windstorm insurance. The Department of Insurance states that the Texas Department of Insurance's Property and Casualty staff will no longer be required to review future building code changes, regardless of any reduction in insurance risk relative to the building code change, hold hearings and issue orders relating to appropriate rate rollbacks. Any additional work resulting from the passage of the bill could be reasonably absorbed within current resources.

The bill would take effect immediately upon receiving a two-thirds majority vote in each house. If the bill does not receive a two-thirds vote in each house, the bill would take effect September 1, 2005.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 454 Department of Insurance

LBB Staff: JOB, SD, DLBa, JRO, NV