

BILL ANALYSIS

H.B. 2868
By: Swinford
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The 77th legislature passed legislation, HB 2604, that assessed a \$1 surcharge on certain insurance policies relating to the structure within an area served by a volunteer fire department. HB 2604, 77th Session, amended the Government and Insurance codes relating to assistance to certain volunteer fire departments and to impose an insurance premium surcharge to finance that assistance.

HB 2868 would allow the comptroller to assess this surcharge against all insurers to which Chapter 2007, Insurance Code, applies a combined total of \$30 million for each 12-month period.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to the state officer, department, agency, or institution.

ANALYSIS

The bill amends Section 2007.002, Insurance Code, is amended. The comptroller will be allowed to assess against all insurers an extra \$15 million, raising the current statute from \$15 million to a total of \$30 million.

The bill repeals Section 2007.009, Insurance Code.

The bill amends Section 2007.002, Insurance Code to clarify that the fiscal date that the effective date both will begin on September 1, 2007.

This Act takes effective September 1, 2007.

EFFECTIVE DATE

September 1, 2007.