

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION**

**May 16, 2007**

**TO:** Honorable Steve Ogden, Chair, Senate Committee on Finance

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

**IN RE: HB2868** by Swinford (Relating to assessment of certain insurers to fund the volunteer fire department assistance fund.), **As Engrossed**

<b>Estimated Two-year Net Impact to General Revenue Related Funds</b> for HB2868, As Engrossed: an impact of \$0 through the biennium ending August 31, 2009.
---

**General Revenue-Related Funds, Five-Year Impact:**

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2008	\$0
2009	\$0
2010	\$0
2011	\$0
2012	\$0

**All Funds, Five-Year Impact:**

Fiscal Year	Probable Revenue Gain from <i>VOLUNTEER FIRE DEPT</i> <i>ASSISTANCE</i> 5064
2008	\$15,000,000
2009	\$15,000,000
2010	\$15,000,000
2011	\$15,000,000
2012	\$30,000,000

**Fiscal Analysis**

The bill would amend the Insurance Code to to increase the annual aggregate assessment on certain insurers to fund GR Account 5064—Volunteer Fire Department Assistance from \$15 million to \$30 million.

**Methodology**

Under current law, the Comptroller establishes an assessment rate against applicable insurers to yield aggregate assessment receipts of \$15 million per year. This bill would require that the annual rates be set to generate \$30 million each year. Because the bill would also repeal the September 1, 2011 expiration date for the assessment, the gain in fiscal 2012 and each year thereafter would be \$30 million.

## **Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts, 454 Department of Insurance

**LBB Staff:** JOB, CT, MW, SK