

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 19, 2007

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

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

IN RE: SB502 by Averitt (Relating to the minimum amounts of motor vehicle liability insurance coverage required to establish financial responsibility.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Transportation Code, Section 601.072(a), relating to minimum amounts of motor vehicle liability insurance coverage required to establish financial responsibility.

The bill would change the minimum amounts of motor vehicle liability insurance coverage required to establish financial responsibility from: 1) \$20,000 to zero for bodily injury to or death of one person in one accident; 2) from \$40,000 to zero for bodily injury to or death of two or more persons in one accident, subject to the amount provided by Subdivision (1) for bodily injury to or death of one of the persons; and 3) from \$15,000 to zero for damage to or destruction of property of others in one accident. The bill would take effect on September 1, 2007.

The Department of Public Safety and the Department of Insurance have both determined that the cost of implementing the provisions of the bill would not be significant. It is assumed that these costs can be absorbed within each agency's current appropriations.

Local Government Impact

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

Source Agencies: 405 Department of Public Safety, 454 Department of Insurance

LBB Staff: JOB, LG, SK, JRO, GG