

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

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

**April 18, 2007**

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

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

**IN RE: SB828** by West, Royce (Relating to the collection and use of certain information by certain insurers. ), **Committee Report 1st House, Substituted**

<p><b>No significant fiscal implication to the State is anticipated.</b></p>
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The bill would amend the Insurance Code to allow the commissioner to establish rules requiring regulated entities to report to the Texas Department of Insurance (TDI) certain information including information regarding data mining and pattern recognition technology. The bill would allow the commissioner to establish rules restricting the use of such technology and require TDI to include information regarding the use of this technology in its biennial report to the Legislature.

Based on analysis of TDI, it is assumed that duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

The bill would take effect immediately upon receiving a two-thirds vote in each house, otherwise it would take effect September 1, 2007.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 454 Department of Insurance

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