

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 18, 2009

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

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

IN RE: HB2752 by Eiland (Relating to independent audits of insurer financial statements and insurer internal controls.), **Committee Report 2nd House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend the Insurance Code to revise the audit requirements for audited financial reports from insurers and to change the professional requirements of the auditor preparing the report. The bill would not require health maintenance organizations to submit an audited financial report to the Texas Department of Insurance (TDI). The bill would require TDI to revise the exemption process for receiving audited financial reports from insurers. Based on the analysis by TDI, it is assumed any costs associated with implementing this bill could be absorbed within current agency resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 454 Department of Insurance

LBB Staff: JOB, JRO, KJG, MW, CH