

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 23, 2013

TO: Honorable John T. Smithee, Chair, House Committee on Insurance

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB682 by Johnson (Relating to the election and qualifications of the commissioner of insurance.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Insurance Code, the Election Code, and the Transportation Code to change the commissioner of insurance (commissioner) from a position appointed to a two-year term by the governor to a position that is elected to a four-year term by qualified voters at the general election for state and county officers. The bill would alter the qualifications required of an individual to hold the position of commissioner and associate or deputy commissioner, place the commissioner on a general election ballot, and require the department of motor vehicles to issue a specialty license plate for the commissioner. The bill would require the first general election for the commissioner to be held on November 4, 2014, for a term beginning on January 1, 2015. The bill would require the current commissioner to serve under current law until the elected position is filled. The bill would repeal Insurance Code Sections 31.024 and 31.027, related to the commissioner being an appointed position.

The Secretary of State and the Department of Insurance indicate the provisions of the bill could be implemented within existing resources. It is assumed the costs related to the license plate could be absorbed with existing resources.

The sections of the bill related to electing the commissioner would take effect on September 1, 2013, and the remainder of the bill would take effect on January 1, 2015.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 307 Secretary of State, 454 Department of Insurance

LBB Staff: UP, AG, EP, CK