

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 1, 2013

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB930 by Sheets (Relating to the effect of certain claims made under certain insurance policies.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Insurance Code relating to the effect of certain claims made under certain insurance policies. The bill would allow insurers offering standard fire, homeowners, farm or ranch owners insurance policies to assess a premium surcharge, require an increase in any applicable deductible under the policy, or refuse to renew an insurance policy after two or more claims are filed in a three-year period. The bill would also repeal Insurance Code prohibiting discrimination against water damage claims.

The bill would require the Texas Department of Insurance (TDI) to conduct and submit a study concerning the effects of the changes in law by January 1, 2015. Based on information provided by the TDI, it is assumed that any costs associated with the implementation of this bill would be absorbed within existing staff and resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 454 Department of Insurance

LBB Staff: UP, AG, ER, LXH