

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 8, 2013

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB1651 by Smithee (Relating to a claim filing period and contractual limitations period in certain property insurance policies.), **As Introduced**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would amend the Insurance Code relating to a claim filing period and contractual limitations period in certain property insurance policies. The bill would allow for a policy form or printed endorsement form for residential or commercial property insurance to provide for a contractual limitations period for filing suit on a first-party claim under the policy and provides the parameters for any such contractual limitations.

Based on information provided by the Texas Department of Insurance, the bill may result in a temporary increase in filings to make amendments to policy forms, which would result in a minimal increase in revenues. It is assumed that all duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing 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