

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 15, 2013

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB1773** by Thompson, Ed (Relating to named driver insurance policies and certain related exclusions.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend the Insurance Code relating to named driver insurance policies and certain related exclusions. The bill would prohibit an insurer from providing or renewing a named driver automobile policy, which the bill defines as an insurance policy that provides coverage only for drivers specifically named on the policy. However, the bill would allow insurers to use a named driver exclusion if the exclusion specifically names each excluded driver and does not exclude a class of drivers.

The bill would apply to an insurance policy that is delivered, issued for delivery, or renewed on or after January 1, 2014.

Based on information provided by the Texas Department of Insurance, 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