

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: HB2351 by Hunter (Relating to the composition of the board of directors of the Texas Windstorm Insurance Association.), **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 the composition of the board of directors of the Texas Windstorm Insurance Association (TWIA). The bill would require the TWIA board of directors to have 11 members appointed by the governor, three of which would have to be representative of the insurance industry who actively write and renew windstorm and hail insurance in the seacoast territory. The bill would also require the board to contain representatives of the construction and financial industries, a coastal engineer, and two policyholders.

The bill would abolish the TWIA board under current law effective December 31, 2013, and require the governor to appoint members to the board by December 31, 2013. The bill would end the term of a person who is serving as a member of the board immediately before the abolition of the board, and make that person eligible for appointment by the governor to the new board, subject to the requirements of the bill.

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