

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

May 17, 2013

TO: Honorable Robert Duncan, Chair, Senate Committee on State Affairs

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB2645** by Turner, Chris (Relating to certification and operation of independent review organizations.), **Committee Report 2nd House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend the Insurance Code relating to certification and operation of independent review organizations. The bill would change the certification requirements for independent review organizations and require the Commissioner of Insurance to appoint an advisory committee to advise the Texas Department of Insurance (TDI) on changes to be made to the rules and processes, at a minimum of once a year.

Based on information provided by TDI, it is assumed that any costs associated with the implementation of this bill would be absorbed within existing staff and resources. Also, based on information provided by TDI, this analysis assumes that implementation of the bill would result in a net revenue gain of \$23,400 annually in General Revenue-Dedicated Texas Department of Insurance Fund 36 from certification fees. Since General Revenue-Dedicated Texas Department of Insurance Fund 36 is a self-leveling account, this analysis also assumes that any additional revenue resulting from the implementation of the bill would accumulate in account fund balances and that the department would adjust the assessment of the maintenance tax or other fees accordingly in the following year.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 454 Department of Insurance

LBB Staff: UP, AG, ER