

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: **HB2956** by Smithee (Relating to certain binding arbitration provisions in certain insurance and health benefit plan coverage documents.), **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 certain binding arbitration provisions in certain insurance and health benefit plan coverage documents. The bill would prohibit various insurance-related documents from including provisions that would require an insured to arbitrate a controversy that arises with an entity, unless the controversy exists at the time of the agreement.

Based on information provided by the Texas Department of Insurance and Texas A&M University System Administration, it is assumed that any costs associated with the implementation of this bill would be absorbed within existing staff and resources.

Based on information provided by the Teacher Retirement System and the UT System Administration, the bill would have not fiscal impact.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 323 Teacher Retirement System, 454 Department of Insurance, 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration

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