

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: **HB3006** by Bonnen, Dennis (Relating to the use of assets 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 use of assets of the Texas Windstorm Association (TWIA). The bill would prohibit TWIA from diverting any increases in the association's assets in any calendar year for any other purpose other than to satisfy the liability of the association's claims incurred in that calendar year.

Based on information provided by the Texas Department of Insurance, the agency would need to amend rules concerning the Catastrophe Reserve Trust Fund (CRTF) and the TWIA plan of operation. It is assumed that any costs and responsibilities associated with implementing the provisions of this bill would be accomplished with existing resources. In addition, this analysis does not consider the fiscal impacts to TWIA and the CRTF since those assets, revenues, and expenditures are accounted for outside the treasury.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 454 Department of Insurance

LBB Staff: UP, AG, ER