

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

May 18, 2013

TO: Honorable John Carona, Chair, Senate Committee on Business & Commerce

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3029 by Fletcher (Relating to new systems and technologies for the financial responsibility verification program.), **As Engrossed**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would amend the Insurance Code relating to new systems and technologies for the financial responsibility verification program. The bill would require the Texas Department of Insurance (TDI) to evaluate and allow TDI to implement systems and technology to enhance the performance of the financial responsibility verification program in order to reduce the number of uninsured motorists in Texas. The bill would allow TDI to contract with an agent to develop, implement, operate, maintain, or upgrade any system or technology that is part of the financial responsibility verification program. The bill does not specify the type of additional system and operation enhancement TDI should implement with respect to the TexasSure Vehicle Insurance Verification program (TexasSure).

Based on information provided by TDI, this analysis assumes that enhancements to the TexasSure system could be similar in size and scope to upgrades and changes TDI implemented previously, which totaled approximately \$1.3 million in State Highway Fund 6 funds. These enhancements included updating program documentation; enhancement of database matching and query response processes; updates to ongoing verification processes and report production; upgrades to the customer notices and call center processes; as well as various other system modifications. This analysis further assumes that any costs associated with implementing the provisions of the bill could be absorbed utilizing 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, RB, ER, AG, MW