

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION**

**March 20, 2013**

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

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE:** SB1007 by Carona (Relating to own risk and solvency assessment by insurers and insurance groups; providing a penalty.), **Committee Report 1st House, Substituted**

<p><b>No significant fiscal implication to the State is anticipated.</b></p>
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The bill would amend the Insurance Code relating to own risk and solvency assessments by insurers and insurance groups. The bill would require domestic insurers to maintain a risk management framework and to conduct an annual confidential internal own risk and solvency assessment. The bill would further require that the insurer submit a summary of the assessment at the request of the commissioner of insurance. The bill would exclude the summary report from being subject to public disclosure.

Based on information provided by the Texas Department of Insurance, it is assumed that all duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts, 454 Department of Insurance

**LBB Staff:** UP, RB, ER