

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 7, 2019

TO: Honorable Dade Phelan, Chair, House Committee on State Affairs

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: HB4322 by Davis, Yvonne (Relating to prohibited employment of certain former commissioners of insurance and employees of the Texas Department of Insurance; creating an offense.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Insurance Code to prohibit former insurance commissioners and employees of the Texas Department of Insurance (TDI) from employment or contract for two years with a company regulated by the department, an affiliate of a company regulated by the department, an individual or entity representing a company regulated by the department, or an association of which a company regulated by the department is a member. The offense created by this bill would be a Class A misdemeanor.

According to the Office of Court Administration (OCA), no significant fiscal impact to the state court system is anticipated.

According to TDI, the bill would not have a significant impact on the agency. Potential additional workload could include producing, editing, revising and obtaining approvals for legal briefs and memos. However, any additional workload required to implement the bill would be absorbed by current staff and no additional resources would be required.

Local Government Impact

A Class A misdemeanor is punishable by a fine of not more than \$4,000, confinement in jail for a term not to exceed one year, or both. Costs associated with enforcement, prosecution and confinement could likely be absorbed within existing resources. Revenue gain from fines imposed and collected is not anticipated to have a significant fiscal implication.

According to OCA, no significant fiscal impact to local courts is anticipated.

Source Agencies: 212 Office of Court Administration, Texas Judicial Council, 454
 Department of Insurance

LBB Staff: WP, CMa, SD, GP, CP