LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 3, 2011

TO: Honorable Robert Duncan, Chair, Senate Committee on State Affairs

FROM: John S O'Brien, Director, Legislative Budget Board

IN RE: SB1337 by Van de Putte (Relating to the operation and regulation of certain consolidated insurance programs; providing administrative penalties.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Insurance Code relating to the operation and regulation of certain consolidated insurance programs; providing administrative penalties. Based on the analysis by the Texas Department of Insurance, State Office of Risk Management, and the Texas A&M University System Administration, it is assumed that all duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources. It is assumed that the duties and responsibilities associated with the University of Texas System Administration implementing the provisions of the bill could be accomplished by utilizing existing agency resources. It is assumed any additional costs to contractors that may be passed on to the Texas Department of Transportation would be absorbed within the agency's existing construction and maintenance appropriations.

Local Government Impact

The Texas Association of Counties (TAC) reported that the bill may cause fiscal implications for counties, especially for those larger counties that are involved in consolidated insurance programs.

According to TAC, Travis County reported no significant fiscal implications associated with the bill.

Texas Municipal League (TML) reported that municipalities do not anticipate a significant fiscal impact associated with the bill.

Source Agencies: 479 State Office of Risk Management, 601 Department of Transportation, 710 Texas

A&M University System Administrative and General Offices, 720 The University of

Texas System Administration, 454 Department of Insurance

LBB Staff: JOB, CH, KJG, MW, KKR