

FISCAL NOTE

Requested by Legislative Council
02/22/2001

Bill/Resolution No.:

Amendment to: Engrossed
 HB 1407

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$0	\$0	\$0	\$0
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

Section 1 as amended will have no impact on the Insurance Department expenses or appropriation.

Section 2 as amended: It is estimated that the study required by Section 2 may cost roughly \$250,000 because of the large number of mandates and the wide variety of mandates that are to be included in the study and the large number of hours that will be necessary to complete the study. The Insurance Department anticipates that it will have an outside consulting actuary perform the study. The estimate is based on a recent study of mandated benefits performed for the Texas Insurance Department. The study involved 13 benefits and cost \$225,000.

There will be no fiscal impact on the General Fund or any special fund because spending for the study is restricted by Section 3 of the Second Engrossed House Bill No. 1407. The study is conditioned on excess moneys being available from income collected by the Insurance Department during the 1999-2001 biennium thus there will be no impact on any fund in any biennium.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

None

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line*

item, and fund affected and the number of FTE positions affected.

See answer to No. 1.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

No impact on General Fund or Special Fund.

No FTEs. If money is available, a study will be contracted with outside consultants.

Name: Charles E. Johnson
Phone Number: 328-2440

Agency: Insurance Department
Date 02/28/2001
Prepared: