No. 4220

OFFICIAL ORDER of the TEXAS COMMISSIONER OF INSURANCE

Date: DEC 14 2015

Subject Considered:

Assessment for the Volunteer Fire Department Assistance Fund

General remarks and official action taken:

The commissioner considers the assessment for the volunteer fire department assistance fund under Tex. Ins. Code § 2007.002. The volunteer fire department assistance fund is an account in the general revenue fund composed of money collected under Tex. Ins. Code Ch. 2007, and contributions to the fund. The comptroller assesses amounts to applicable insurers for each fiscal year necessary, as determined by the commissioner.

As set out in Chapter 1281 (HB 1), 84th Legislature, Regular Session, 2015 (the General Appropriations Act), the department determined that the total amount appropriated from the volunteer fire department assistance fund account in the general revenue fund for each state fiscal year 2016 and 2017 is \$31,646,479. House Bill 7, 84th Legislature, Regular Session (2015), then directed the department for each state fiscal year to subtract the appropriated amount of \$1,583,825 to the Texas Emergency Services Retirement System, and the appropriated amount of \$11,500,000 to the Texas A&M Forest Service for grants to volunteer fire departments. As further directed by House Bill 7, the department determined the assessment amount by choosing the lesser of the resulting calculated balance of \$18,562,654 or \$30 million.

The Financial Services Office of the Administrative Operations Division calculates that the assessment amount is \$18,562,654 for each state fiscal year 2016 and 2017. Based on the information provided by staff, the commissioner determines and approves the volunteer fire department assistance fund assessment amount of \$18,562,654 under Tex. Ins. Code § 2007.002 for each state fiscal year 2016 and 2017.

David C. Mattax

Commissioner of Insurance