

1-1 By: Eltife S.B. No. 1554  
 1-2 (In the Senate - Filed March 12, 2015; March 23, 2015, read  
 1-3 first time and referred to Committee on Business and Commerce;  
 1-4 April 8, 2015, reported favorably by the following vote: Yeas 9,  
 1-5 Nays 0; April 8, 2015, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7	X			
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			

1-17 A BILL TO BE ENTITLED  
 1-18 AN ACT

1-19 relating to the regulation of rates for certain personal automobile  
 1-20 insurance.

1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-22 SECTION 1. Section 2151.001(2), Insurance Code, is amended  
 1-23 to read as follows:

1-24 (2) "Authorized insurer" means an insurer authorized  
 1-25 by the department to write automobile liability coverage under this  
 1-26 title. ~~The [Except as provided by Section 2251.204, the] term~~  
 1-27 ~~includes [does not include] a county mutual insurance company~~  
 1-28 ~~organized under Chapter 912.~~

1-29 SECTION 2. Sections 2251.003(a) and (b), Insurance Code,  
 1-30 are amended to read as follows:

1-31 (a) This subchapter and Subchapters B, C, and D~~[, and E]~~  
 1-32 apply to:

1-33 (1) an insurer to which Article 5.13 applies, other  
 1-34 than the Texas Windstorm Insurance Association, the FAIR Plan  
 1-35 Association, and the Texas Automobile Insurance Plan Association;  
 1-36 and

1-37 (2) except as provided by Subsection (c), a Lloyd's  
 1-38 plan, reciprocal or interinsurance exchange, and county mutual  
 1-39 insurance company with respect to the lines of insurance described  
 1-40 by Subsection (b).

1-41 (b) This subchapter and Subchapters B, C, and D~~[, and E]~~  
 1-42 apply to all lines of the following kinds of insurance written under  
 1-43 an insurance policy or contract issued by an insurer authorized to  
 1-44 engage in the business of insurance in this state:

1-45 (1) general liability insurance;

1-46 (2) residential and commercial property insurance,  
 1-47 including farm and ranch insurance and farm and ranch owners  
 1-48 insurance;

1-49 (3) personal and commercial casualty insurance,  
 1-50 except as provided by Section 2251.004;

1-51 (4) medical professional liability insurance;

1-52 (5) fidelity, guaranty, and surety bonds other than  
 1-53 criminal court appearance bonds;

1-54 (6) personal umbrella insurance;

1-55 (7) personal liability insurance;

1-56 (8) guaranteed auto protection (GAP) insurance;

1-57 (9) involuntary unemployment insurance;

1-58 (10) financial guaranty insurance;

1-59 (11) inland marine insurance;

1-60 (12) rain insurance;

1-61 (13) hail insurance on farm crops;

- 2-1 (14) personal and commercial automobile insurance;
- 2-2 (15) multi-peril insurance; and
- 2-3 (16) identity theft insurance issued under Chapter
- 2-4 706.

2-5 SECTION 3. Section 2251.205, Insurance Code, is transferred  
 2-6 to Subchapter C, Chapter 2251, Insurance Code, redesignated as  
 2-7 Section 2251.1025, Insurance Code, and amended to read as follows:

2-8 Sec. 2251.1025 [~~2251.205~~]. [~~APPLICATION OF~~] FILING  
 2-9 REQUIREMENTS FOR CERTAIN PERSONAL AUTOMOBILE [~~TO OTHER~~] INSURERS  
 2-10 WITH LESS THAN 3.5 PERCENT OF MARKET. (a) An insurer is subject to  
 2-11 the filing requirements determined by the commissioner by rule  
 2-12 under this section [~~Section 2251.204~~] if:

2-13 (1) the insurer, along with the insurer's affiliated  
 2-14 companies or group, issues personal automobile liability insurance  
 2-15 policies only below 101 percent of the minimum limits required by  
 2-16 Chapter 601, Transportation Code; and

2-17 (2) the insurer, along with the insurer's affiliated  
 2-18 companies or group, has a market share of less than 3.5 percent of  
 2-19 the personal automobile insurance market in this state.

2-20 (b) The commissioner by rule shall determine the  
 2-21 information required to be provided in a filing under this section.

2-22 SECTION 4. The following provisions of the Insurance Code  
 2-23 are repealed:

2-24 (1) Sections 2251.201, 2251.202, 2251.203, and  
 2-25 2251.204; and

2-26 (2) the heading to Subchapter E, Chapter 2251.  
 2-27 SECTION 5. This Act takes effect September 1, 2015.

2-28 \* \* \* \* \*