

By: Taylor of Galveston

S.B. No. 1450

A BILL TO BE ENTITLED

AN ACT

relating to the rulemaking authority of the commissioner of insurance with respect to certain agreements and the effect of those agreements on this state's authority to regulate insurance.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter A, Chapter 36, Insurance Code, is amended by adding Section 36.007 to read as follows:

Sec. 36.007. RULES RELATING TO AGREEMENTS LIMITING STATE AUTHORITY TO REGULATE INSURANCE PROHIBITED; EFFECT OF AGREEMENT.

(a) The commissioner may not adopt or enforce a rule that implements an interstate, national, or international agreement that:

(1) infringes on the authority of this state to regulate the business of insurance in this state; and

(2) was not approved by the legislature.

(b) An agreement described by Subsection (a) has no effect on the authority of this state to regulate the business of insurance in this state unless the agreement is approved by the legislature.

SECTION 2. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.