

1-1 By: Oliverson (Senate Sponsor - Zaffirini) H.B. No. 3771
 1-2 (In the Senate - Received from the House May 7, 2019;
 1-3 May 10, 2019, read first time and referred to Committee on Business
 1-4 & Commerce; May 20, 2019, reported favorably by the following vote:
 1-5 Yeas 9, Nays 0; May 20, 2019, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
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 approval of insurance companies to provide certain
 1-20 structured settlement annuity contracts.

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

1-22 SECTION 1. Section 142.009(b), Property Code, is amended to
 1-23 read as follows:

1-24 (b) In approving an insurance company under Subsection
 1-25 (a)(3), the court may consider whether the company:

1-26 (1) holds an issuer credit ~~[an industry]~~ rating
 1-27 equivalent to a National Association of Insurance Commissioners
 1-28 NAIC 1 designation from a national or international ~~[at least two of~~
 1-29 ~~the following]~~ rating agency that ~~[organizations]~~:

1-30 (A) has registered with the Securities and
 1-31 Exchange Commission [A. M. Best Company: A++ or A+];

1-32 (B) is designated as a nationally recognized
 1-33 statistical rating organization [Duff & Phelps Credit Rating
 1-34 Company Insurance Company Claims Paying Ability Rating: AA-, AA,
 1-35 AA+, or AAA]; and

1-36 (C) is on the list of Credit Rating Providers by
 1-37 the Securities Valuation Office of the National Association of
 1-38 Insurance Commissioners [Moody's Investors Service Claims Paying
 1-39 Ability Rating: Aa3, Aa2, Aa1, or aaa; or

1-40 [(D) Standard & Poor's Corporation Insurer
 1-41 Claims-Paying Ability Rating: AA-, AA, AA+, or AAA];

1-42 (2) is an affiliate, as that term is described by
 1-43 Section 823.003, Insurance Code, of a liability insurance carrier
 1-44 involved in the suit for which the structured settlement is
 1-45 created; or

1-46 (3) is connected in any way to a person obligated to
 1-47 fund the structured settlement.

1-48 SECTION 2. This Act takes effect immediately if it receives
 1-49 a vote of two-thirds of all the members elected to each house, as
 1-50 provided by Section 39, Article III, Texas Constitution. If this
 1-51 Act does not receive the vote necessary for immediate effect, this
 1-52 Act takes effect September 1, 2019.

1-53 * * * * *