

1-1 By: Barry, et al. H.B. No. 2517
1-2 (Senate Sponsor - Hinojosa of Nueces, et al.)
1-3 (In the Senate - Received from the House May 5, 2025;
1-4 May 5, 2025, read first time and referred to Committee on Business
1-5 & Commerce; May 26, 2025, reported favorably by the following vote:
1-6 Yeas 11, Nays 0; May 26, 2025, sent to printer.)

1-7 COMMITTEE VOTE

1-8	Yea	Nay	Absent	PNV
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	X			
1-18	X			
1-19	X			

1-20 A BILL TO BE ENTITLED
1-21 AN ACT

1-22 relating to the applicability of premium and maintenance taxes to
1-23 the Texas Windstorm Insurance Association and Texas FAIR Plan
1-24 Association.

1-25 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-26 SECTION 1. Section 221.001(b), Insurance Code, is amended
1-27 to read as follows:

1-28 (b) This chapter does not apply to:

1-29 (1) a fraternal benefit society, including a fraternal
1-30 benefit society operating under Chapter 885;

1-31 (2) a group hospital service corporation operating
1-32 under Chapter 842;

1-33 (3) a stipulated premium company operating under
1-34 Chapter 884;

1-35 (4) a mutual assessment association, company, or
1-36 corporation regulated under Chapter 887;

1-37 (5) a purely cooperative or mutual fire insurance
1-38 company carried on by its members solely for the protection of their
1-39 own property and not for profit, except as provided by Section
1-40 221.002(b)(13); ~~or~~

1-41 (6) a farm mutual insurance company operating under
1-42 Chapter 911, unless the company is acting as a fronting insurer;

1-43 (7) the Texas Windstorm Insurance Association; or

1-44 (8) the Texas FAIR Plan Association.

1-45 SECTION 2. Section 252.005, Insurance Code, is amended to
1-46 read as follows:

1-47 Sec. 252.005. EXCEPTION. This chapter does not apply to:

1-48 (1) a farm mutual insurance company operating under
1-49 Chapter 911, unless the company is acting as a fronting insurer as
1-50 defined by Section 221.001(c); ~~or~~

1-51 (2) a mutual insurance company engaged in business
1-52 under Chapter 12, Title 78, Revised Statutes, before that chapter's
1-53 repeal by Section 18, Chapter 40, Acts of the 41st Legislature, 1st
1-54 Called Session, 1929, as amended by Section 1, Chapter 60, General
1-55 Laws, Acts of the 41st Legislature, 2nd Called Session, 1929, that
1-56 retains the rights and privileges under the repealed law to the
1-57 extent provided by those sections;

1-58 (3) the Texas Windstorm Insurance Association; or

1-59 (4) the Texas FAIR Plan Association.

1-60 SECTION 3. The changes in law made by this Act do not affect
1-61 tax liability accruing before the 2023 calendar year. The
1-62 liability continues in effect as if this Act had not been enacted,

2-1 and the former law is continued in effect for the collection of
2-2 taxes due and for enforcement of the liability for those taxes.
2-3 SECTION 4. This Act takes effect September 1, 2025.

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