

Amend **CSSB 14** following ARTICLE 4 of the bill (page 54 between lines 18 and 19) by inserting the following new ARTICLE, appropriately numbered, and renumbering subsequent ARTICLES and SECTIONS of the bill appropriately:

ARTICLE _____. SANCTIONS FOR RATES IN VIOLATION OF CODE

SECTION _____.01. Chapter 82, Insurance Code, is amended by adding Subchapter C to read as follows:

SUBCHAPTER C. ADDITIONAL SANCTIONS FOR RATES IN VIOLATION OF CODE

Sec. 82.101. RATE REFUND. (a) Notwithstanding any other provision of this code, the commissioner by order issued after notice and opportunity for hearing may require a company regulated by the commissioner to make a refund of an excessive premium charged.

(b) The commissioner may require a refund under this section if the commissioner finds that the premium was charged under a rate, rating manual, rating schedule, plan of rules, rating rule, classification system, territory code or description, or other similar information used by the insurer to determine the applicable premium that violates:

(1) this code or another insurance code of this state;

or

(2) a rating criteria or standard established by or under this code or another insurance code of this state.

Sec. 82.102. AMOUNT OF REFUND. An insurer required to make a refund under this section shall pay to the individual who paid the premium:

(1) the total amount of premium paid in violation of a law, criteria, or standard described by Subsection (a)(1) or (2) during the entire period the excessive premium was paid; and

(2) reasonable interest on that amount, in a amount established by the commissioner, beginning on the date on which the excessive premium was paid and ending on the date the refund is paid.

Sec. 82.103. REMEDY CUMULATIVE. The sanction authorized by this subchapter is in addition to any other sanction authorized by this code or other insurance law by this state, including any other law authorizing or requiring the payment of a refund. This section

does not authorize the commissioner to require a company to make more than one refund with respect to the same excessive premium.

SECTION _____.02. This article applies only to refund of premium billed on or after the effective date of this Act. Premium billed before the effective date of this Act is governed by the law as it existed at the time the premium was billed.