

Amend **SB 14** on third reading, in ARTICLE 4 of the bill, in added Section 5A, Article 5.13-2, Insurance Code, as added by Amendment No. 1 by Smithee, following added Subsection (m), by inserting the following new subsections:

(n) An insurer whose rates were not regulated by the department before the effective date of **SB 14**, Acts of the 78th Legislature, Regular Session, 2003, may renew business in an affiliate as necessary to comply with this article. Business renewed in an affiliate is not considered nonrenewed business of the insurer from which the business is transferred.

(o) A motor vehicle insurance rating manual, including a risk or rate classification contained in the rating manual, used by a county mutual insurance company whose rates were not regulated by the department before the effective date of **SB 14**, Acts of the 78th Legislature, Regular Session, 2003, is presumed valid and is deemed approved by the commissioner unless a classification contained in the manual is expressly prohibited by this article or another provision of this code. This subsection applies only to conduct that occurs on or after the effective date of **SB 14**, Acts of the 78th Legislature, Regular Session, 2003. Conduct occurring before the effective date of **SB 14**, Acts of the 78th Legislature, Regular Session, 2003, is covered by the law in effect at the time that the conduct occurred. This subsection expires June 1, 2004.

(p) A county mutual insurance company shall file with the department a motor vehicle rating manual, including a risk or rate classification contained in the rating manual, not later than the 30th day after the effective date of **SB 14**, Acts of the 78th Legislature, Regular Session, 2003.