

1-1 By: Haggerty (Senate Sponsor - Lucio) H.B. No. 2437  
1-2 (In the Senate - Received from the House May 16, 2005;  
1-3 May 17, 2005, read first time and referred to Committee on Business  
1-4 and Commerce; May 20, 2005, reported favorably by the following  
1-5 vote: Yeas 6, Nays 0; May 20, 2005, sent to printer.)

1-6 A BILL TO BE ENTITLED  
1-7 AN ACT

1-8 relating to rate regulation of certain insurers writing personal  
1-9 automobile insurance.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Section 13, Article 5.13-2, Insurance Code, is  
1-12 amended by adding Subsection (h) to read as follows:

1-13 (h) An insurer is subject to the filing requirements  
1-14 determined by the commissioner by rule under Subsection (f) of this  
1-15 section if:

1-16 (1) the insurer, along with the insurer's affiliated  
1-17 companies or group, issues personal automobile liability insurance  
1-18 policies only below 101 percent of the minimum limits required by  
1-19 Chapter 601, Transportation Code; and

1-20 (2) the insurer, along with the insurer's affiliated  
1-21 companies or group, has a market share of less than 3.5 percent of  
1-22 the personal automobile insurance market in this state.

1-23 SECTION 2. This Act takes effect immediately if it receives  
1-24 a vote of two-thirds of all the members elected to each house, as  
1-25 provided by Section 39, Article III, Texas Constitution. If this  
1-26 Act does not receive the vote necessary for immediate effect, this  
1-27 Act takes effect September 1, 2005.

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