

By: Lucio

S.B. No. 1558

A BILL TO BE ENTITLED

AN ACT

relating to the applicability of certain insurance laws to Lloyd's plans and reciprocal and interinsurance exchanges.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 38.001(b), Insurance Code, is amended to read as follows:

(b) The department may address a reasonable inquiry to any ~~an~~ insurance company, including a Lloyd's plan or reciprocal or interinsurance exchange, or an agent~~[7]~~ or other holder of an authorization relating to:

(1) the person's business condition; or

(2) any matter connected with the person's transactions that the department considers necessary for the public good or for the proper discharge of the department's duties.

SECTION 2. Section 941.003(b), Insurance Code, is amended to read as follows:

(b) A Lloyd's plan is subject to:

(1) Section 5, Article 1.10;

(2) Article 1.15A;

(3) Subchapters A, Q, T, and U, Chapter 5;

(4) Articles 5.35, 5.38, 5.39, and 5.40~~[7 and 5.49]~~;

(5) Article ~~[Articles 21.21 and]~~ 21.49-8;

(6) Sections 822.203, 822.205, 822.210, and 822.212;

~~and~~

- 1 (7) Article 5.13-2, as provided by that article;
- 2 (8) Chapters 251, 252, and 541; and
- 3 (9) Section 38.001.

4 SECTION 3. Section 942.003(b), Insurance Code, is amended
5 to read as follows:

6 (b) An exchange is subject to:

- 7 (1) Section 5, Article 1.10;
- 8 (2) Articles 1.15, 1.15A, and 1.16;
- 9 (3) Subchapters A, Q, T, and U, Chapter 5;
- 10 (4) Articles 5.35, 5.37, 5.38, 5.39, and 5.40;
- 11 (5) Article [~~Articles 21.21 and~~] 21.49-8;
- 12 (6) Sections 822.203, 822.205, 822.210, 822.212,
13 861.254(a)-(f), 861.255, 862.001(b), and 862.003; [~~and~~]
- 14 (7) Article 5.13-2, as provided by that article;
- 15 (8) Chapter 541; and
- 16 (9) Section 38.001.

17 SECTION 4. The change in law made by Section 38.001,
18 Insurance Code, as amended by this Act, applies only to an inquiry
19 made by the Texas Department of Insurance on or after the effective
20 date of this Act. An inquiry made by the Texas Department of
21 Insurance before the effective date of this Act is covered by the
22 law in effect at the time the inquiry is made, and that law is
23 continued in effect for that purpose.

24 SECTION 5. This Act takes effect September 1, 2005.