

AN ACT

relating to prior approval of property and casualty insurance rates under certain circumstances.

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

SECTION 1. Section 2251.151, Insurance Code, is amended by adding Subsections (a-1) and (e) to read as follows:

(a-1) If an insurer files a petition under Subchapter D, Chapter 36, for judicial review of an order disapproving a rate under this chapter, the insurer must use the rates in effect for the insurer at the time the petition is filed and may not file and use any higher rate for the same line of insurance subject to this chapter before the matter subject to judicial review is finally resolved unless the insurer, in accordance with this subchapter, files the new rate with the department, along with any applicable supplementary rating information and supporting information, and obtains the commissioner's approval of the rate.

(e) If the commissioner requires an insurer to file the insurer's rates under this section, the commissioner shall issue an order specifying the commissioner's reasons for requiring the rate filing. An affected insurer is entitled to a hearing on written request made to the commissioner not later than the 30th day after the date the order is issued.

SECTION 2. The change in law made by Section 2251.151(a-1), Insurance Code, as added by this Act, applies only to an insurer

1 that files a petition for judicial review under Subchapter D,
2 Chapter 36, Insurance Code, on or after the effective date of this
3 Act. An insurer that files a petition for judicial review before
4 the effective date of this Act is governed by the law in effect
5 immediately before the effective date of this Act, and that law is
6 continued in effect for that purpose.

7 SECTION 3. This Act takes effect September 1, 2007.

President of the Senate

Speaker of the House

I certify that H.B. No. 3358 was passed by the House on May 10, 2007, by the following vote: Yeas 138, Nays 0, 2 present, not voting; and that the House concurred in Senate amendments to H.B. No. 3358 on May 25, 2007, by the following vote: Yeas 137, Nays 0, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 3358 was passed by the Senate, with amendments, on May 22, 2007, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor