

By: Smithee

H.B. No. 3358

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to prior approval of property and casualty insurance rates  
3 under certain circumstances.

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

5 SECTION 1. Section 2251.151, Insurance Code, is amended by  
6 adding Subsection (a-1) to read as follows:

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

17 SECTION 2. The change in law made by this Act applies only  
18 to an insurer that files a petition for judicial review under  
19 Subchapter D, Chapter 36, Insurance Code, on or after the effective  
20 date of this Act. An insurer that files a petition for judicial  
21 review before the effective date of this Act is governed by the law  
22 in effect immediately before the effective date of this Act, and  
23 that law is continued in effect for that purpose.

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