

1-1 By: Lucio S.B. No. 1402
1-2 (In the Senate - Filed March 7, 2007; March 20, 2007, read
1-3 first time and referred to Committee on Business and Commerce;
1-4 April 11, 2007, reported favorably by the following vote: Yeas 8,
1-5 Nays 0; April 11, 2007, sent to printer.)

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

1-8 relating to the refund of excess unearned premiums by insurance
1-9 premium finance companies.

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

1-11 SECTION 1. Subsection (g), Section 651.162, Insurance Code,
1-12 is amended to read as follows:

1-13 (g) If the crediting of return premiums to the account of an
1-14 insured results in a surplus over the amount due from the insured,
1-15 the insurance premium finance company shall refund the excess to
1-16 the insured. If the amount of the excess is less than \$5 [~~\$1~~], the
1-17 insured is not entitled to a refund credit.

1-18 SECTION 2. This Act takes effect immediately if it receives
1-19 a vote of two-thirds of all the members elected to each house, as
1-20 provided by Section 39, Article III, Texas Constitution. If this
1-21 Act does not receive the vote necessary for immediate effect, this
1-22 Act takes effect September 1, 2007.

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