

SENATE AMENDMENTS

2nd Printing

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 of an order disapproving a rate
9 under 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 the same line of insurance subject to this
12 chapter before the matter subject to judicial review is finally
13 resolved unless the insurer, in accordance with this subchapter,
14 files the new rate with the department, along with any applicable
15 supplementary rating information and supporting information, and
16 obtains the 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.

ADOPTED

MAY 22 2007

Leta Spaw
Secretary of the Senate

By: Smithce/Ellis

H.B. No. 3359

Substitute the following for H.B. No. 3358:

By: Paul Winter

C.S. .B. No. _____

A BILL TO BE ENTITLED

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.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 18, 2007

TO: Honorable Troy Fraser, Chair, Senate Committee on Business & Commerce

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: **HB3358** by Smithee (Relating to prior approval of property and casualty insurance rates under certain circumstances.), **Committee Report 2nd House, Substituted**

No fiscal implication to the State is anticipated.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 454 Department of Insurance

LBB Staff: JOB, JRO, SK

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 16, 2007

TO: Honorable Troy Fraser, Chair, Senate Committee on Business & Commerce

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: **HB3358** by Smithee (Relating to prior approval of property and casualty insurance rates under certain circumstances.), **As Engrossed**

No fiscal implication to the State is anticipated.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 454 Department of Insurance

LBB Staff: JOB, JRO, SK

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 23, 2007

TO: Honorable John T. Smithee, Chair, House Committee on Insurance

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: **HB3358** by Smithee (Relating to prior approval of property and casualty insurance rates under certain circumstances.), **Committee Report 1st House, As Amended**

No fiscal implication to the State is anticipated.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 454 Department of Insurance

LBB Staff: JOB, JRO, SK

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LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 13, 2007

TO: Honorable John T. Smithee, Chair, House Committee on Insurance

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: **HB3358** by Smithee (Relating to prior approval of property and casualty insurance rates under certain circumstances.), **As Introduced**

No fiscal implication to the State is anticipated.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 454 Department of Insurance

LBB Staff: JOB, JRO, SK