

By: Turner of Tarrant

H.B. No. 2784

A BILL TO BE ENTITLED

AN ACT

relating to withdrawal plans for certain insurers.

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

SECTION 1. Section 827.001, Insurance Code, is amended by adding Subdivision (3) to read as follows:

(3) "Personal automobile insurance" and "residential property insurance" have the meanings assigned by Section 2254.001.

SECTION 2. Section 827.006, Insurance Code, is amended to read as follows:

Sec. 827.006. [~~RESUMPTION OF~~] WRITING INSURANCE AFTER COMPLETE WITHDRAWAL. An insurer that withdraws from writing residential property insurance or personal automobile [~~all lines of~~] insurance in this state may not write any line of [~~, without the approval of the commissioner, resume writing~~] insurance in this state before the fifth anniversary of the date of withdrawal unless the commissioner approves the insurer to write a particular line of insurance after determining that the line of insurance is not available to a substantial number of policyholders or potential policyholders in a rating territory in this state at an affordable rate.

SECTION 3. The change in law made by this Act applies only to a withdrawal plan filed with the Texas Department of Insurance on or after the effective date of this Act. A withdrawal plan filed with the Texas Department of Insurance before the effective date of

1 this Act is covered by the law in effect at the time the withdrawal
2 plan was filed, and that law is continued in effect for that
3 purpose.

4 SECTION 4. This Act takes effect September 1, 2009.