

By: Branch

H.B. No. 4220

A BILL TO BE ENTITLED

AN ACT

relating to notice given to insurance policy or certificate holders concerning certain premium taxes.

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

SECTION 1. Subtitle B, Title 3, Insurance Code, is amended by adding Chapter 230 to read as follows:

CHAPTER 230. NOTICE TO POLICY OR CERTIFICATE HOLDERS

Sec. 230.001. APPLICABILITY. This chapter applies only to an insurer, insurance company, organization, concern, or surplus lines insurer or agent required to pay a premium tax under Chapter 221, 222, 223, 224, 225, or 226. The term includes a reciprocal or interinsurance exchange, Lloyd's plan, group hospital service corporation, health maintenance organization, and managed care organization.

Sec. 230.002. ITEMIZED BILLING STATEMENT REQUIRED. An entity to which this chapter applies shall include in each billing statement for coverage or services provided an itemized description of the amount of the premium charged that is directly attributable to the imposition on and payment by the billing entity of any applicable premium tax.

Sec. 230.003. RULES. The commissioner shall adopt rules as necessary to implement this chapter.

SECTION 2. The change in law made by this Act applies only to an insurance policy, certificate, or contract that is delivered,

1 issued for delivery, or renewed on or after January 1, 2010. An  
2 insurance policy, certificate, or contract that is delivered,  
3 issued for delivery, or renewed before January 1, 2010, is covered  
4 by the law in effect at the time the insurance policy, certificate,  
5 or contract was delivered, issued for delivery, or renewed, and  
6 that law is continued in effect for that purpose.

7 SECTION 3. This Act takes effect September 1, 2009.