

By: Deuell

S.B. No. 1001

A BILL TO BE ENTITLED

AN ACT

relating to the continuation and operation of the office of public insurance counsel.

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

SECTION 1. Section 501.003, Insurance Code, is amended to read as follows:

Sec. 501.003. SUNSET PROVISION. The office is subject to Chapter 325, Government Code (Texas Sunset Act). Unless continued in existence as provided by that chapter, the office is abolished September 1, 2021 ~~[2009]~~.

SECTION 2. Section 501.054, Insurance Code, is amended to read as follows:

Sec. 501.054. LOBBYING ACTIVITIES. A person may not serve as public counsel or act as general counsel to the office if the person is required to register as a lobbyist under Chapter 305, Government Code, because of the person's activities for compensation on behalf of a profession related to the operation of the department or the office.

SECTION 3. Section 501.102, Insurance Code, is amended to read as follows:

Sec. 501.102. TRADE ASSOCIATIONS. (a) In this section, "Texas trade association" means a ~~[nonprofit]~~ cooperative, ~~[and]~~ voluntarily joined statewide association of business or professional competitors in this state designed to assist its



members and its industry or profession in dealing with mutual business or professional problems and in promoting their common interest.

(b) A person may not serve as public counsel and may not ~~[or]~~ be an office employee employed in a "bona fide executive, administrative, or professional capacity," as that phrase is used for purposes of establishing an exemption to the overtime provisions of the federal Fair Labor Standards Act of 1938 (29 U.S.C. Section 201 et seq.), if ~~[of the office who is exempt from the state's position classification plan or is compensated at or above the amount prescribed by the General Appropriations Act for step 1, salary group A17, of the position classification salary schedule if the person is]~~:

(1) the person is an officer, employee, or paid consultant of a Texas trade association in the field of insurance; or

(2) the person's spouse is ~~[or]~~ an officer, manager, or paid consultant of a Texas trade association in the field of insurance.

SECTION 4. Subchapter A, Chapter 501, Insurance Code, is amended by adding Section 501.006 to read as follows:

Sec. 501.006. TECHNOLOGY POLICY. The office shall implement a policy requiring the office to use appropriate technological solutions to improve the office's ability to perform its functions. The policy must ensure that the public is able to interact with the office on the Internet.

SECTION 5. Subchapter D, Chapter 501, Insurance Code, is



1 amended by adding Section 501.160 to read as follows:

2 Sec. 501.160. ALTERNATIVE DISPUTE RESOLUTION PROCEDURES.

3 (a) The office shall develop and implement a policy to encourage  
4 the use of appropriate alternative dispute resolution procedures  
5 under Chapter 2009, Government Code, to assist in the resolution of  
6 internal and external disputes under the office's jurisdiction.

7 (b) The office's procedures relating to alternative dispute  
8 resolution must conform, to the extent possible, to model  
9 guidelines issued by the State Office of Administrative Hearings  
10 for the use of alternative dispute resolution procedures by state  
11 agencies.

12 (c) The office shall designate a trained person to:

13 (1) coordinate the implementation of the policy  
14 adopted under Subsection (a);

15 (2) serve as a resource for training needed to  
16 implement the alternative dispute resolution procedures; and

17 (3) collect data concerning the effectiveness of those  
18 procedures as implemented by the office.

19 SECTION 6. Section 501.102, Insurance Code, as amended by  
20 this Act, applies only to an appointment of public counsel that  
21 occurs on or after the effective date of this Act. The change in the  
22 qualifications for eligibility to serve as public counsel does not  
23 affect the eligibility of a person serving as public counsel before  
24 the effective date of this Act.

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