

Amend HB 1951 (house committee printing) as follows:

(1) On page 15, lines 24 and 25, strike "Section 2254.003(a), Insurance Code, is amended to read as follows" and substitute "Sections 2254.003(a) and (b), Insurance Code, are amended to read as follows".

(2) On page 16, between lines 2 and 3, insert the following:

(b) Except as provided by Section 2254.004(c), if the commissioner determines that an insurer has charged a rate for personal automobile insurance or residential property insurance that is excessive or unfairly discriminatory, as described by Section 2251.051, the commissioner shall ~~[may]~~

~~[(1)]~~ order the insurer to refund directly to each affected policyholder the portion of the premium, plus interest on that amount, that is excessive or unfairly discriminatory~~[, if that portion of the premium is at least 7.5 percent of the total premium charged for the coverage; or~~

~~[(2) if that portion of the premium is less than 7.5 percent of the total premium, order the insurer to provide, to each affected policyholder:~~

~~[(A) who renews the policy, a future premium discount equal to the amount of the excessive or unfairly discriminatory portion of the premium, plus interest on that amount; and~~

~~[(B) who does not renew or whose coverage is otherwise terminated, a refund in the amount described by Subdivision (1)].~~

(3) In ARTICLE 3 of the bill, add the following appropriately numbered SECTION and renumber subsequent SECTIONS of the ARTICLE accordingly:

SECTION 3.____. Chapter 2254, Insurance Code, is amended by adding Section 2254.005 to read as follows:

Sec. 2254.005. ADMINISTRATIVE PENALTY. If the commissioner determines after a hearing that an insurer has charged a rate for personal automobile insurance or residential property insurance that is excessive or unfairly discriminatory, as described by Section 2251.051, the commissioner shall order the insurer to pay an administrative penalty in the amount of \$100 for each policy

delivered, issued for delivery, or renewed at the excessive or
unfairly discriminatory rate. This penalty is in addition to any
other penalties imposed under this code.