

Amend CSSB 1213 (senate committee printing) as follows:

(1) In SECTION 1.01 of the bill, in added Section 1111A.002(1), Insurance Code (page 1, line 25), strike "an individual" and substitute "a person".

(2) In SECTION 1.01 of the bill, in added Section 1111A.002(2), Insurance Code (page 1, line 32), strike ". A broker" and substitute "or estimates life expectancies for a life settlement contract. A broker who offers or attempts to negotiate a life settlement contract".

(3) In SECTION 1.01 of the bill, in added Section 1111A.002(7), Insurance Code (page 2, line 17), strike "producer" and substitute "agent".

(4) In SECTION 1.01 of the bill, in added Section 1111A.003(a), Insurance Code (page 6, lines 3-8), strike "If there is more than one owner on a single policy and the owners are residents of different states, the life settlement contract is governed by the law of the state in which the owner having the largest percentage ownership resides or, if the owners hold equal ownership, the state of residence of one owner agreed on in writing by all owners."

(5) In SECTION 1.01 of the bill, in added Section 1111A.003(b), Insurance Code (page 6, line 10), strike "prescribed by rule" and substitute "prescribed".

(6) In SECTION 1.01 of the bill, at the end of added Section 1111A.003, Insurance Code (page 7, between lines 45 and 46), insert the following:

(g) The business of life settlements constitutes the business of insurance.

(7) In SECTION 1.01 of the bill, in added Section 1111A.004(a)(6), Insurance Code (page 7, line 69), between "contract" and "that", insert "using a form".

(8) In SECTION 1.01 of the bill, in added Section 1111A.004(b), Insurance Code (page 8, line 15), strike "only after a hearing".

(9) In SECTION 1.01 of the bill, in added Section 1111A.006(d)(4), Insurance Code (page 9, line 20), between "another" and "provider", insert "licensed".

(10) In SECTION 1.01 of the bill, strike added Section 1111A.007, Insurance Code (page 9, line 39, through page 11, line 23), and substitute the following:

Sec. 1111A.007. EXAMINATION. Subchapter B, Chapter 401, applies to a person engaged in the business of life settlements.

(11) In SECTION 1.01 of the bill, in added Section 1111A.011(c)(1), Insurance Code (page 11, line 55), strike "directly".

(12) In SECTION 1.01 of the bill, in added Section 1111A.012(a), Insurance Code (page 11, lines 61-65), strike "A provider shall provide in writing, in a separate document that is signed by the owner and provider, the following information to the owner not later than the date the life settlement contract is signed by all parties:" and substitute the following:

Not later than the fifth day after the date a provider receives the application for a life settlement contract, the provider shall provide, in a separate written document, the following information to the owner:

(13) In SECTION 1.01 of the bill, in added Section 1111A.013(c), Insurance Code (page 13, lines 57-58), strike "as described by Subsection (b)".

(14) In SECTION 1.01 of the bill, in added Section 1111A.014(e), Insurance Code (page 14, line 64), strike "producer" and substitute "agent".

(15) In SECTION 1.01 of the bill, in added Section 1111A.014(n), Insurance Code (page 15, lines 55-58), strike "The time covered under a group policy must be calculated without regard to a change in insurance carriers, provided the coverage has been continuous and under the same group sponsorship."

(16) In SECTION 1.01 of the bill, in added Section 1111A.014, Insurance Code (page 16, between lines 15 and 16), insert a new Subsection (o) to read as follows:

(o) For the purposes of Subsection (n)(1), time covered under a group policy must be calculated without regard to a change in insurance carriers, provided the coverage has been continuous and under the same group sponsorship.

(17) In SECTION 1.01 of the bill, in added Section

1111A.015, Insurance Code (page 16, line 29), between "RULES." and "The", insert "(a)".

(18) In SECTION 1.01 of the bill, at the end of added Section 1111A.015, Insurance Code (page 16, between lines 32 and 33), insert the following:

(b) The commissioner may not adopt a rule establishing a price or fee for the sale or purchase of a life settlement contract. This subsection does not prohibit the commissioner from adopting a rule relating to an unjust price or fee for the sale or purchase of a life settlement contract.

(c) The commissioner may not adopt a rule that regulates the actions of an investor providing money to a life or viatical settlement company.

(19) In SECTION 1.01 of the bill, in added Section 1111A.017(a)(1), Insurance Code (page 16, line 62), between "or" and "should", insert "reasonably".

(20) In SECTION 1.01 of the bill, in added Section 1111A.017(a)(4), Insurance Code (page 17, line 4), strike "sole".

(21) In SECTION 1.01 of the bill, in added Section 1111A.018(b), Insurance Code (page 17, line 45), strike "knowingly or intentionally".

(22) In SECTION 1.01 of the bill, strike added Section 1111A.019, Insurance Code (page 17, lines 61-66), and substitute the following:

Sec. 1111A.019. MANDATORY REPORTING OF FRAUDULENT LIFE SETTLEMENT ACTS. A person engaged in the business of life settlements has a duty under Section 701.051 to report a fraudulent life settlement act.

(23) In SECTION 1.01 of the bill, strike added Sections 1111A.020 and 1111A.021, Insurance Code (page 17, line 67, through page 18, line 34).

(24) In SECTION 1.01 of the bill, in added Section 1111A.024(b), Insurance Code (page 19, line 35), strike "or criminal".

(25) In SECTION 1.01 of the bill, strike added Section 1111A.026(b), Insurance Code (page 19, lines 59-62), and substitute the following:

(b) A person who knowingly, recklessly, or intentionally commits a fraudulent life settlement act commits a criminal offense and is subject to penalties under Chapter 35, Penal Code.

(26) In SECTION 1.01 of the bill, at the end of added Chapter 1111A, Insurance Code (page 19, between lines 64 and 65), insert the following appropriately numbered section:

Sec. 1111A.____. APPLICABILITY OF OTHER INSURANCE LAWS. The following laws apply to a person engaged in the business of life settlements:

(1) Chapters 82, 83, 84, 101, 481, 541, and 701;

(2) Sections 31.002, 32.021, 32.023, 32.041, 38.001, 81.004, 86.001, 86.051, 86.052, 201.004, 401.051, 401.054, 401.151(a), 521.003, 521.004, 543.001(c), 801.056, and 862.052;

(3) Subchapter A, Chapter 32;

(4) Subchapter C, Chapter 36;

(5) Subchapter B, Chapter 404; and

(6) Subchapter B, Chapter 491.

(27) In SECTION 1.01 of the bill, redesignate sections, subsections, and cross-references in added Chapter 1111A, Insurance Code, appropriately.