

By: Creighton, Zerwas, Schwertner, Hancock,
Shelton, et al.

H.B. No. 32

Substitute the following for H.B. No. 32:

By: Miller of Erath

C.S.H.B. No. 32

A BILL TO BE ENTITLED

AN ACT

relating to required individual health insurance coverage.

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

SECTION 1. Subtitle A, Title 8, Insurance Code, is amended
by adding Chapter 1220 to read as follows:

CHAPTER 1220. INDIVIDUAL HEALTH INSURANCE COVERAGE NOT REQUIRED

Sec. 1220.001. COVERAGE MANDATE PROHIBITED; EXCEPTIONS.

(a) Except as provided by Subsections (b) and (c), an individual
may not be required to obtain or maintain coverage under an
individual health insurance policy.

(b) Subsection (a) does not apply to an individual who is
required to obtain or maintain health benefit plan coverage:

(1) by an institution of higher education at which the
individual is or will be enrolled as a student; or

(2) under an order requiring medical support for a
child.

(c) Subsection (a) does not apply to an individual
voluntarily applying for benefits under a state-administered
program under Title XIX, Social Security Act (42 U.S.C. Section
1396 et seq.), or Title XXI, Social Security Act (42 U.S.C. Section
1397aa et seq.).

Sec. 1220.002. PENALTY PROHIBITED. (a) Except as provided
by Subsection (b), a fine or penalty may not be imposed on an
individual if the individual chooses not to obtain or maintain

1 coverage under an individual health insurance policy.

2 (b) Subsection (a) does not apply to a fine or penalty
3 imposed on an individual described in Section 1220.001(b) for the
4 individual's failure to obtain or maintain health benefit plan
5 coverage.

6 SECTION 2. This Act takes effect immediately if it receives
7 a vote of two-thirds of all the members elected to each house, as
8 provided by Section 39, Article III, Texas Constitution. If this
9 Act does not receive the vote necessary for immediate effect, this
10 Act takes effect September 1, 2011.