

BILL ANALYSIS

Senate Research Center
83R8136 PMO-F

H.B. 1305
By: Sheets (Carona)
Business & Commerce
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, a person who acts as an insurance agent without a license may be found guilty of a third degree felony, imprisoned for a term of two to 10 years, and fined up to \$10,000. In contrast, a person acting as an agent after the person's insurance agent license is suspended or revoked may result in punishment by a fine not to exceed \$5,000 and imprisonment for a term not to exceed two years. While the two acts are arguably indistinguishable, the punishments significantly differ.

H.B. 1305 resolves this inconsistency by harmonizing the punishments for individuals who have had their insurance licenses suspended or revoked with those of individuals acting as agents without licenses.

H.B. 1305 amends current law relating to the criminal penalty for acting as an agent after suspension or revocation of the agent's license.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 4005.151(b), Insurance Code, to provide that an offense under this section is a felony of the third degree, rather than a felony punishable by a fine not to exceed \$5,000, imprisonment for a term of not more than two years, or both fine and imprisonment under this subsection.

SECTION 2. Provides that the change in law made by this Act applies only to an offense committed on or after the effective date of this Act. Provides that an offense committed before the effective date of this Act is governed by the law in effect on the date the offense was committed, and the former law is continued in effect for that purpose. Provides that for purposes of this section, an offense was committed before the effective date of this Act if any element of the offense occurred before that date.

SECTION 3. Effective date: September 1, 2013.