

BILL ANALYSIS

H.B. 2163
By: Eiland
Insurance
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Interested parties report that Texas consumers and businesses paid more than \$100 billion in insurance premiums last year, making Texas one of the largest insurance markets in the world. However, in relation to the size of the state's insurance market, Texas is home to only an average number of insurance companies. Such parties note that, by comparison, other states retain a greater number of domestic insurers. H.B. 2163 seeks to level the playing field with other states through reducing costs borne by Texas domestic insurers by spreading the cost of examination overhead assessments imposed by the Texas Department of Insurance to all insurers licensed in Texas.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 2163 amends the Insurance Code to require the Texas Department of Insurance to impose an annual assessment on insurers not organized under Texas law in an amount sufficient to meet all other expenses and disbursements necessary to comply with Texas laws relating to the examination of insurers. The bill requires the amount imposed for such assessment to be computed in the same manner as the amount imposed for the similar annual assessment on domestic insurers.

EFFECTIVE DATE

September 1, 2013.