

BILL ANALYSIS

S.B. 183
By: Carona
Insurance
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Current law requires an insurer to respond to a request for information from the Texas Department of Insurance (TDI) regarding certain matters within 10 days after the date of the request. The matters about which TDI is authorized to request information of an insurer are broad and these requests have the potential to be substantial. Due to the amount of time and resources it can take to gather the relevant information, there is concern that, in some instances, 10 days is an inadequate amount of time to prepare a response. S.B. 183 seeks to give insurers additional time to respond to requests for information from TDI.

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

S.B. 183 amends the Insurance Code to extend the deadline by which a person receiving an inquiry regarding the person's business condition or any matter connected with the person's transactions that the Texas Department of Insurance (TDI) considers necessary for the public good or for the proper discharge of TDI's duties is required to respond to the inquiry in writing from not later than the 10th day to not later than the 15th day after the date the inquiry is received. The bill requires TDI, if it receives written notice from the person that additional time is required to respond to the inquiry, to grant a 10-day extension of the time to respond. The bill requires TDI to maintain a record of all such inquiries made by the department.

EFFECTIVE DATE

September 1, 2013.