

1-1 By: Morrison (Senate Sponsor - Carona) H.B. No. 3106  
1-2 (In the Senate - Received from the House May 3, 2013;  
1-3 May 6, 2013, read first time and referred to Committee on Business  
1-4 and Commerce; May 14, 2013, reported favorably by the following  
1-5 vote: Yeas 9, Nays 0; May 14, 2013, sent to printer.)

1-6 COMMITTEE VOTE

1-7	Yea	Nay	Absent	PNV
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			

1-17 A BILL TO BE ENTITLED  
1-18 AN ACT

1-19 relating to compensatory payments made in connection with the  
1-20 issuance of certain title insurance policies.

1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-22 SECTION 1. Subchapter B, Chapter 2502, Insurance Code, is  
1-23 amended by adding Section 2502.057 to read as follows:

1-24 Sec. 2502.057. CERTAIN COMPENSATORY PAYMENTS RELATED TO  
1-25 CERTAIN ELECTRIC ENERGY PROJECTS PERMITTED. (a) This section  
1-26 applies with respect to a utility project that is:

1-27 (1) designed to produce, generate, transmit,  
1-28 distribute, sell, or furnish electric energy; and

1-29 (2) valued on completion at more than \$25 million.

1-30 (b) A payment for furnishing title evidence for the issuance  
1-31 of a title insurance policy related to a project described by  
1-32 Subsection (a) may be:

1-33 (1) a flat fee or fee calculated on an hourly basis  
1-34 that:

1-35 (A) is payable on the date the title evidence is  
1-36 furnished; and

1-37 (B) does not exceed \$25,000; or

1-38 (2) a portion of the title insurance premium:

1-39 (A) based on the percentage established by the  
1-40 commissioner for payment by a title insurance company, title  
1-41 insurance agent, or direct operation for services performed by  
1-42 another title insurance company, title insurance agent, or direct  
1-43 operation; and

1-44 (B) payable on the date of the issuance of the  
1-45 policy for which the evidence is furnished.

1-46 (c) The payment must be:

1-47 (1) made by the proposed insured to the title  
1-48 insurance company, title insurance agent, or direct operation that  
1-49 furnishes the title evidence; and

1-50 (2) credited against the title insurance premium  
1-51 charged for the issuance of the title insurance policy for which the  
1-52 evidence is furnished.

1-53 (d) Nothing in this section may be construed to allow the  
1-54 payment of an amount in violation of the premium rates promulgated  
1-55 or the division of premium established by the commissioner.

1-56 SECTION 2. This Act applies only to a payment for title  
1-57 evidence furnished on or after the effective date of this Act. A  
1-58 payment for title evidence furnished before the effective date of  
1-59 this Act is governed by the law as it existed immediately before the  
1-60 effective date of this Act, and that law is continued in effect for  
1-61 that purpose.

2-1                    H.B. No. 3106  
SECTION 3.    This Act takes effect September 1, 2013.  
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