

1-1 By: Carona S.B. No. 733
 1-2 (In the Senate - Filed February 21, 2013; February 25, 2013,
 1-3 read first time and referred to Committee on Business and Commerce;
 1-4 March 20, 2013, reported favorably by the following vote: Yeas 9,
 1-5 Nays 0; March 20, 2013, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
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 the Texas Automobile Insurance Plan Association.
 1-20 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
 1-21 SECTION 1. Subsection (c), Section 2151.103, Insurance
 1-22 Code, is amended to read as follows:
 1-23 (c) The association may bring an action to collect an
 1-24 assessment against an authorized insurer that does not pay the
 1-25 assessment within a reasonable time. In addition, the association
 1-26 may report to the commissioner an authorized insurer's failure to
 1-27 pay the assessment to the association [~~commissioner~~]. The
 1-28 commissioner may institute a disciplinary action against the
 1-29 insurer under Chapter 82.
 1-30 SECTION 2. Subchapter B, Chapter 2151, Insurance Code, is
 1-31 amended by adding Section 2151.057 to read as follows:
 1-32 Sec. 2151.057. COMMITTEE MEETINGS BY TELEPHONE AND
 1-33 VIDEOCONFERENCE. (a) Chapter 551, Government Code, applies to a
 1-34 meeting of the governing committee.
 1-35 (b) Notwithstanding Chapter 551, Government Code, or any
 1-36 other law, the governing committee may meet by telephone conference
 1-37 call, videoconference, or other similar telecommunication method
 1-38 for any meeting purpose, including conducting a vote or
 1-39 establishing a quorum, regardless of the subject matter discussed
 1-40 or considered.
 1-41 (c) A meeting authorized by this section is subject to the
 1-42 notice requirements that apply to other meetings of the governing
 1-43 committee under Chapter 551, Government Code.
 1-44 (d) The notice of a meeting authorized by this section must:
 1-45 (1) specify that the location of the meeting is a
 1-46 location at which at least one member of the governing committee is
 1-47 physically present; and
 1-48 (2) state clear instructions and requirements for
 1-49 electronic attendance by a member of the committee.
 1-50 (e) Each part of a meeting authorized by this section must
 1-51 be audible to the public at the location specified by Subsection
 1-52 (d).
 1-53 (f) Two-way audio communication must be available during
 1-54 the entire meeting between all members of the governing committee
 1-55 attending a meeting authorized by this section, and if the two-way
 1-56 audio communication is disrupted so that a quorum of the committee
 1-57 is no longer participating in the meeting, the meeting may not
 1-58 continue until the two-way audio communication is reestablished.
 1-59 SECTION 3. Subsections (a) and (b), Section 2151.153,
 1-60 Insurance Code, are amended to read as follows:
 1-61 (a) The plan of operation must include an incentive program

2-1 [~~programs~~] to [~~encourage authorized insurers to write insurance on~~
 2-2 ~~a voluntary basis and to minimize the use of the association as a~~
 2-3 ~~means to obtain insurance.~~

2-4 [~~(b) One incentive program must~~] target underserved
 2-5 geographic areas, which the commissioner by rule shall designate.
 2-6 In designating underserved areas, the commissioner shall consider
 2-7 with respect to an area:

2-8 (1) the availability of insurance;

2-9 (2) the number of uninsured drivers;

2-10 (3) the number of drivers insured through the
 2-11 association; and

2-12 (4) any other relevant factor.

2-13 (b) The plan of operation may include other incentive
 2-14 programs to encourage authorized insurers to write insurance on a
 2-15 voluntary basis and to minimize the use of the association as a
 2-16 means to obtain insurance.

2-17 SECTION 4. Subsection (a), Section 2151.202, Insurance
 2-18 Code, is amended to read as follows:

2-19 (a) The association shall file [~~annually~~] with the
 2-20 department rates to be charged for insurance provided through the
 2-21 association for approval by the commissioner.

2-22 SECTION 5. Subchapter E, Chapter 2151, Insurance Code, is
 2-23 amended by adding Sections 2151.2021, 2151.2022, and 2151.2023 to
 2-24 read as follows:

2-25 Sec. 2151.2021. FILE AND USE. The association may use a
 2-26 rate, excluding a rate described by Section 2151.2041, on the later
 2-27 of the date specified by the association in the filing or the date
 2-28 the rate is approved or considered approved under this subchapter.

2-29 Sec. 2151.2022. COMMISSIONER ACTION ON CERTAIN RATE
 2-30 FILINGS. (a) Not later than the 30th day after the date the
 2-31 association files a rate, excluding a rate described by Section
 2-32 2151.2041, the commissioner shall:

2-33 (1) approve the rate if the commissioner determines
 2-34 that the rate meets the standards under Section 2151.201; or

2-35 (2) disapprove the rate if the commissioner determines
 2-36 that the rate does not meet the standards under Section 2151.201.

2-37 (b) If the commissioner fails to act as required under
 2-38 Subsection (a) on or before the 30th day after the date the rate is
 2-39 filed, the rate is considered approved on the 31st day after the
 2-40 date of filing unless the approval period is extended under
 2-41 Subsection (c).

2-42 (c) The commissioner may extend the approval period under
 2-43 Subsection (a) for one additional period not to exceed 30 days. The
 2-44 commissioner and the association may agree to extend the approval
 2-45 period for additional periods not to exceed 30 days. If the
 2-46 commissioner does not affirmatively approve or disapprove the rate
 2-47 before the extended period expires, the rate is considered approved
 2-48 on the day after the date the extended period expires.

2-49 Sec. 2151.2023. NOTICE OF RATE APPROVAL OR DISAPPROVAL.
 2-50 The commissioner shall give written notice by first class mail or
 2-51 electronic mail to the association of the approval or disapproval
 2-52 by the commissioner of the rate filed under Section 2151.202 or that
 2-53 the rate is considered approved under Section 2151.2022.

2-54 SECTION 6. Subchapter E, Chapter 2151, Insurance Code, is
 2-55 amended by adding Section 2151.2041 to read as follows:

2-56 Sec. 2151.2041. HEARING ON CERTAIN RATE FILINGS. If the
 2-57 association files a rate under Section 2151.202 that exceeds 105
 2-58 percent of the current average rate for each coverage written
 2-59 through the association on the date of the filing, the commissioner
 2-60 shall conduct a hearing under Section 2151.206.

2-61 SECTION 7. Section 2151.205, Insurance Code, is amended to
 2-62 read as follows:

2-63 Sec. 2151.205. OPPORTUNITY TO REVIEW FILING. Before
 2-64 approving, disapproving, or modifying a filing described by [~~made~~
 2-65 ~~under~~] Section 2151.2041 [~~2151.202~~], the commissioner must provide
 2-66 to all interested persons a reasonable opportunity to:

2-67 (1) review the filing;

2-68 (2) obtain a copy of the filing on payment of any
 2-69 legally required copying cost; and

3-1 (3) submit to the commissioner written comments,
3-2 analyses, or information related to the filing.

3-3 SECTION 8. Subsection (a), Section 2151.206, Insurance
3-4 Code, is amended to read as follows:

3-5 (a) Not later than the 45th day after the date the
3-6 department receives a filing described [~~required~~] by Section
3-7 2151.2041 [~~2151.202~~], the commissioner shall schedule a hearing at
3-8 which interested persons may present written or oral comments
3-9 relating to the filing.

3-10 SECTION 9. Section 2151.208, Insurance Code, is amended to
3-11 read as follows:

3-12 Sec. 2151.208. AMENDED FILING. The association may file
3-13 with the commissioner an amended filing to comply with the
3-14 commissioner's comments not later than the 10th day after the date
3-15 the association receives the commissioner's written disapproval
3-16 under Section 2151.2023 or 2151.207.

3-17 SECTION 10. This Act applies to a rate filing made under
3-18 Subchapter E, Chapter 2151, Insurance Code, as amended by this Act,
3-19 on or after the effective date of this Act. A rate filing made
3-20 before the effective date of this Act is governed by the law as it
3-21 existed immediately before the effective date of this Act, and that
3-22 law is continued in effect for that purpose.

3-23 SECTION 11. This Act takes effect immediately if it
3-24 receives a vote of two-thirds of all the members elected to each
3-25 house, as provided by Section 39, Article III, Texas Constitution.
3-26 If this Act does not receive the vote necessary for immediate
3-27 effect, this Act takes effect September 1, 2013.

3-28 * * * * *