

By: Davis

S.B. No. 1565

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to the office of public insurance counsel's ability to  
3 initiate a hearing on insurance rates or rate filings.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Section 2251.106, Insurance Code, is amended by  
6 adding Subsections (d), (e), (f), (g), (h), and (i) to read as  
7 follows:

8 (d) The public insurance counsel may initiate a hearing on a  
9 rate filing or a rate in effect filed under this chapter by filing a  
10 written petition with the commissioner.

11 (e) The commissioner shall hold a hearing under Subsection  
12 (d) not later than the 30th day after the date of the filing of the  
13 written petition.

14 (f) The commissioner shall provide written notice of a  
15 hearing under Subsection (d) to the office of public insurance  
16 counsel and each insurer that made the rate filing not later than  
17 the 10th day before the date of the hearing.

18 (g) The party that made the rate filing has the burden to  
19 show that the rate filing meets the standards under Subchapter B.

20 (h) If, after the hearing, the commissioner determines that  
21 the rate filing or rate in effect does not meet the requirements of  
22 this chapter, the commissioner shall issue an order under Section  
23 2251.103(d) or 2251.104(b), as applicable.

24 (i) Notwithstanding any other provision of this chapter, if

1 a rate filing that is the subject of a hearing under Subsection (d)  
2 has not gone into effect as of the date the written petition is  
3 filed, the subject rate may not go into effect until:

4 (1) the commissioner has entered an order finding that  
5 the rate filing meets the standards under Subchapter B; or

6 (2) the filing is appealed and determined on final  
7 appeal to meet the standards under Subchapter B.

8 SECTION 2. This Act takes effect September 1, 2013.