

BILL ANALYSIS

C.S.H.B. 2424
By: Thompson, Senfronia
Insurance
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties note that the Automobile Burglary and Theft Prevention Authority is funded by a fee charged on all automobile insurance policies. It is further noted that when an insurance company overpays these fees, the company must request a refund within a given period or the request is denied and the overpayments remain with the state. These parties contend that the prescribed period is insufficient for discovery of overpayments and violates provisions of the Texas Constitution relating to takings as well as the United States Constitution. C.S.H.B. 2424 seeks to address this issue.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

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

C.S.H.B. 2424 repeals the requirement for an insurer who seeks either a refund of a fee paid to the Automobile Burglary and Theft Prevention Authority or a determination of the sufficiency of payment to notify the authority not later than the later of November 1, 1997, or six months after the date the fees were paid to the authority.

C.S.H.B. 2424 amends the Revised Statutes to make a conforming change.

C.S.H.B. 2424 repeals Section 11, Chapter 305 (H.B. 1387), Acts of the 75th Legislature, Regular Session, 1997.

EFFECTIVE DATE

September 1, 2015.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 2424 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

SECTION 1. Section 6A, Article 4413(37), Revised Statutes, is amended.

SECTION 2. Sections 10(a) and (b), Article 4413(37), Revised Statutes, are amended to read as follows:

(a) In this section:

(1) "Insurer" means any insurance company writing any form of motor vehicle liability insurance in this state that complies with Subchapter D, Chapter 601, Transportation Code, including an interinsurance or reciprocal exchange, mutual company, mutual association, or Lloyd's plan.

(2) "Motor vehicle years of insurance" means the total number of years or portions of years during which a motor vehicle is covered by liability insurance.

(b) An insurer shall pay to the authority a fee equal to \$2 multiplied by the total number of motor vehicle years of insurance for liability insurance policies that comply with Subchapter D, Chapter 601, Transportation Code, delivered, issued for delivery, or renewed by the insurer. The fee shall be paid not later than:

(1) March 1 of each year for a policy issued, delivered, or renewed from July 1 through December 31 of the previous calendar year; and

(2) August 1 of each year for a policy issued, delivered, or renewed from January 1 through June 30 of that year.

SECTION 3. Section 11, Chapter 305 (H.B. 1387), Acts of the 75th Legislature, Regular Session, 1997, is repealed.

SECTION 4. This Act takes effect September 1, 2015.

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Same as introduced version.

No equivalent provision.

SECTION 2. Same as introduced version.

SECTION 3. Same as introduced version.