

## **BILL ANALYSIS**

Senate Research Center  
84R7854 MEW-F

H.B. 3911  
By: Paul (Elife)  
Business & Commerce  
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Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Interested parties have expressed concern that one-size-fits-all temporary license requirements for agents, insurers, and health maintenance organizations are outdated and no longer reflect the realities of today's insurance market. The parties contend that the cap on the number of temporary license holders that an agent, insurer, or health maintenance organization may appoint is an example of such an outdated requirement. H.B. 3911 seeks to better address the complexities of the insurance market.

H.B. 3911 amends current law relating to the appointment by insurers, health maintenance organizations, and their agents of holders of a temporary agent's license.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the commissioner of insurance in SECTION 1 (Section 4001.162, Insurance Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 4001.162, Insurance Code, as follows:

Sec. 4001.162. RESTRICTION ON APPOINTMENT OF TEMPORARY LICENSE HOLDERS. (a) Creates this subsection from existing text. Prohibits an agent, insurer, or health maintenance organization, except as provided by Subsection (b), from appointing more than 500 temporary license holders during a calendar year.

(b) Requires the commissioner of insurance to adopt reasonable rules setting standards for an agent, insurer, or health maintenance organization to appoint more than 500 temporary license holders during a calendar year. Requires that the standards include consideration of the ability of an agent, insurer, or health maintenance organization to monitor appointed temporary agents.

SECTION 2. Effective date: September 1, 2015.