

BILL ANALYSIS

H.B. 3911
By: Paul
Insurance
Committee Report (Unamended)

BACKGROUND AND PURPOSE

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that one-size-fits-all temporary license requirements for agents, insurers, and health maintenance organizations are outdated and no longer reflect the realities of today's insurance market.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license holders that an agent, insurer, or health maintenance organization may appoint is an example of such an outdated requirement.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.

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 rulemaking authority is expressly granted to the commissioner of insurance in SECTION 1 of this bill.

ANALYSIS

H.B. 3911 amends the Insurance Code to add as an exception to the prohibition against an agent, insurer, or health maintenance organization appointing more than 500 temporary license holders during a calendar year a requirement that the commissioner of insurance adopt reasonable rules setting standards for an agent, insurer, or health maintenance organization (HMO) to appoint more than 500 temporary license holders during a calendar year. The bill requires the standards to include consideration of the ability of an agent, insurer, or HMO to monitor appointed temporary agents.

EFFECTIVE DATE

September 1, 2015.