

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 494
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Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

C.S.S.B. 494 increases transparency and disclosures of insurance policy terms for consumers by explicitly permitting the Office of Public Insurance Counsel (OPIC) to place approved specimen policy forms and endorsements on OPIC's website. This posting will make it easier for consumers to directly compare the policy language of different plans.

S.B. 852, 83rd Legislature, Regular Session, 2013, allows insurers to place these specimen forms on their own websites rather than physically deliver them to their customers. S.B. 852 further authorizes these insurers to notify the Texas Department of Insurance (TDI) and OPIC, who would then place the forms on their own websites. However, because few insurers notified TDI or OPIC, C.S.S.B. 494 gives OPIC authority to place these policies on their website, without a request from the insurer.

C.S.S.B. 494 amends current law relating to the availability of certain property and casualty insurance forms on the Internet.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 1812.002, Insurance Code, by adding Subsection (c), as follows:

(c) Authorizes the office of public insurance counsel (OPIC) to post an insurer's specimen policy on OPIC's Internet website. Provides that the posting, other than a posting described by Subsection (a) (authorizing an insurer to post a specimen policy on the insurer's Internet website), of an insurer's specimen policy on an Internet website does not create a duty to comply with the requirements of this chapter.

SECTION 2. Effective date: upon passage or September 1, 2015.