

By: Muñoz, Jr.

H.B. No. 3514

A BILL TO BE ENTITLED

AN ACT

relating to the acquisition of control of insurance companies.

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

SECTION 1. Section 853.154, Insurance Code, is amended to read as follows:

Sec. 823.154. REQUIREMENTS FOR ACQUISITION OR EXERCISE OF CONTROL OR DIVESTITURE OF DOMESTIC INSURER. (a) Before a person who directly or indirectly controls, or after the acquisition would directly or indirectly control, a domestic insurer may in any manner acquire a voting security of a domestic insurer or before a person may otherwise acquire control of a domestic insurer or exercise any control over a domestic insurer, or before a person may initiate a divestiture of control of a domestic insurer:

(1) the acquiring person shall file with the commissioner a statement that satisfies the requirements of Subchapter E;

(2) the acquisition or divestiture of control must be approved by the commissioner in accordance with this subchapter; and

(3) if the person is initiating a divestiture of control, the divesting person shall file with the commissioner a notice of divestiture on a form adopted by the National Association of Insurance Commissioners or adopted by the commissioner by rule.

(b) The acquiring person or divesting person shall send a

1 copy of the statement filed under this section to the domestic
2 insurer.

3 (c) A statement or notice filed under this section must be
4 filed not later than the 60th day before the proposed effective date
5 of the acquisition or change of control or divestiture and ~~is~~
6 ~~subject to public inspection at the office of the commissioner.~~ the
7 information provided in the statement or notice, including any
8 documents attached or incorporated by reference, shall be public
9 information subject to Chapter 552, Government Code, including any
10 applicable exception for required disclosures under that chapter.

11 (d) Notwithstanding Subsection (a), a divesting person is
12 not required to provide the commissioner with notice of divestiture
13 required by Subsection (a)(3) if an acquiring person submits the
14 statement required by Subsection (a)(1) and that acquisition is
15 approved by the commissioner.

16 SECTION 2. This Act takes effect September 1, 2015.