

By: Lucio

S.B. No. 1427

A BILL TO BE ENTITLED

AN ACT

relating to authorizing an insurer's deposit of certain money and other assets with the Texas Department of Insurance.

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

SECTION 1. Subchapter A, Chapter 423, Insurance Code, is amended by adding Section 423.004 to read as follows:

Sec. 423.004. STATUTORY DEPOSITS WITH DEPARTMENT.

(a) Except as provided by Subsection (c), notwithstanding any requirement under this code that an insurer deposit with the comptroller money or other assets for the security of an insurer's policyholders or creditors, including a deposit required by another state, an insurer may deposit the required money or other assets with the department in accordance with this section.

(b) A deposit authorized by Subsection (a):

(1) must be approved by the commissioner;

(2) is subject to any requirements applicable to the type of deposit;

(3) must be held under the commissioner's control; and

(4) may not be substituted or withdrawn by the insurer without the commissioner's approval.

(c) This section does not apply to any deposit made under Chapter 406 or a deposit of fees or taxes under this code.

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