

By: Eltife

S.B. No. 1554

A BILL TO BE ENTITLED

AN ACT

relating to the regulation of rates for certain personal automobile insurance.

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

SECTION 1. Section 2151.001(2), Insurance Code, is amended to read as follows:

(2) "Authorized insurer" means an insurer authorized by the department to write automobile liability coverage under this title. The ~~[Except as provided by Section 2251.204, the]~~ term includes ~~[does not include]~~ a county mutual insurance company organized under Chapter 912.

SECTION 2. Sections 2251.003(a) and (b), Insurance Code, are amended to read as follows:

(a) This subchapter and Subchapters B, C, and D~~[, and E]~~ apply to:

(1) an insurer to which Article 5.13 applies, other than the Texas Windstorm Insurance Association, the FAIR Plan Association, and the Texas Automobile Insurance Plan Association; and

(2) except as provided by Subsection (c), a Lloyd's plan, reciprocal or interinsurance exchange, and county mutual insurance company with respect to the lines of insurance described by Subsection (b).

(b) This subchapter and Subchapters B, C, and D~~[, and E]~~

1 apply to all lines of the following kinds of insurance written under  
2 an insurance policy or contract issued by an insurer authorized to  
3 engage in the business of insurance in this state:

4 (1) general liability insurance;

5 (2) residential and commercial property insurance,  
6 including farm and ranch insurance and farm and ranch owners  
7 insurance;

8 (3) personal and commercial casualty insurance,  
9 except as provided by Section 2251.004;

10 (4) medical professional liability insurance;

11 (5) fidelity, guaranty, and surety bonds other than  
12 criminal court appearance bonds;

13 (6) personal umbrella insurance;

14 (7) personal liability insurance;

15 (8) guaranteed auto protection (GAP) insurance;

16 (9) involuntary unemployment insurance;

17 (10) financial guaranty insurance;

18 (11) inland marine insurance;

19 (12) rain insurance;

20 (13) hail insurance on farm crops;

21 (14) personal and commercial automobile insurance;

22 (15) multi-peril insurance; and

23 (16) identity theft insurance issued under Chapter  
24 706.

25 SECTION 3. Section 2251.205, Insurance Code, is transferred  
26 to Subchapter C, Chapter 2251, Insurance Code, redesignated as  
27 Section 2251.1025, Insurance Code, and amended to read as follows:

1           Sec. 2251.1025 [~~2251.205~~]. [~~APPLICATION OF~~] FILING  
2   REQUIREMENTS FOR CERTAIN PERSONAL AUTOMOBILE [~~TO OTHER~~] INSURERS  
3   WITH LESS THAN 3.5 PERCENT OF MARKET. (a) An insurer is subject to  
4   the filing requirements determined by the commissioner by rule  
5   under this section [~~Section 2251.204~~] if:

6           (1) the insurer, along with the insurer's affiliated  
7   companies or group, issues personal automobile liability insurance  
8   policies only below 101 percent of the minimum limits required by  
9   Chapter 601, Transportation Code; and

10          (2) the insurer, along with the insurer's affiliated  
11   companies or group, has a market share of less than 3.5 percent of  
12   the personal automobile insurance market in this state.

13          (b) The commissioner by rule shall determine the  
14   information required to be provided in a filing under this section.

15          SECTION 4. The following provisions of the Insurance Code  
16   are repealed:

17          (1) Sections [2251.201](#), [2251.202](#), [2251.203](#), and  
18   [2251.204](#); and

19          (2) the heading to Subchapter E, Chapter 2251.

20          SECTION 5. This Act takes effect September 1, 2015.