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| BILL ANALYSIS |

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| C.S.H.B. 3496 |
| By: Shine |
| Insurance |
| Committee Report (Substituted) |

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| **BACKGROUND AND PURPOSE** Concerns have been raised about the threat that increased costs pose to the solvency of many farm mutual insurance companies across Texas. C.S.H.B. 3496 seeks to prevent continued cost increases and allow a policyholder of such an insurance company to vote electronically or by mail without making a personal appearance at a policyholders' meeting. |
| **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 this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution. |
| **ANALYSIS** C.S.H.B. 3496 amends the Insurance Code to authorize a farm mutual insurance company to provide in its constitution or bylaws that a policyholder may vote electronically or by mail without making a personal appearance at a policyholders' meeting.  |
| **EFFECTIVE DATE** September 1, 2017. |
| **COMPARISON OF ORIGINAL AND SUBSTITUTE**While C.S.H.B. 3496 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill. |
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| INTRODUCED | HOUSE COMMITTEE SUBSTITUTE |
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| SECTION 1. Section 911.065, Insurance Code, is amended by adding Subsection (c) to read as follows:(c) A policyholder may vote electronically or by mail without making a personal appearance at a policyholders' meeting. | SECTION 1. Section 911.065, Insurance Code, is amended by adding Subsection (c) to read as follows:(c) A farm mutual insurance company may provide in its constitution or bylaws that a policyholder may vote electronically or by mail without making a personal appearance at a policyholders' meeting. |
| SECTION 2. A farm mutual insurance company is not required to comply with Section 911.065(c), Insurance Code, as added by this Act, before January 1, 2019. | No equivalent provision. |
| SECTION 3. This Act takes effect September 1, 2017. | SECTION 2. Same as introduced version. |

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