

By: Craddick

H.B. No. 3370

A BILL TO BE ENTITLED

AN ACT

relating to limiting increases in premium for life insurance policies.

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

SECTION 1. Subchapter D, Chapter 1101, Life Insurance, is amended by adding Section 1101.157 to read as follows:

Sec. 1101.157. LIMIT ON INCREASES IN PREMIUMS, COSTS, CHARGES, EXPENSES, OR FEES. (a) In this section:

(1) "Insurer" has the meaning assigned by Section 1102.001, Insurance Code.

(2) "Insurance policy" has the meaning assigned by Section 1102.001, Insurance Code.

(b) An insurer may not increase any premium, cost, charge, administrative expense, or fee associated with a life insurance policy by more than 10 percent in any given year.

(c) Subsection (b), does not apply to an increase in premium, cost, charge, expense, or fee if the schedule and amount of the increase is disclosed at the time of policy issuance, including increases in premium based on attained age.

SECTION 2. This Act takes effect September 1, 2017.