

By: Creighton

S.B. No. 1283

A BILL TO BE ENTITLED

AN ACT

1
2 relating to reciprocity requirements for nonresident insurance
3 agents to offer or sell insurance policies issued by the Texas
4 Windstorm Insurance Association.

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

6 SECTION 1. Section 2210.152(a), Insurance Code, is amended
7 to read as follows:

8 (a) The plan of operation must:

9 (1) provide for the efficient, economical, fair, and
10 nondiscriminatory administration of the association; and

11 (2) include:

12 (A) a plan for the equitable assessment of the
13 members of the association to defray losses and expenses;

14 (B) underwriting standards;

15 (C) procedures for accepting and ceding
16 reinsurance;

17 (D) procedures for obtaining and repaying
18 amounts under any financial instruments authorized under this
19 chapter;

20 (E) procedures for determining the amount of
21 insurance to be provided to specific risks;

22 (F) time limits and procedures for processing
23 applications for insurance;

24 (G) a requirement that a nonresident agent

1 licensed under Section 4056.052 may not offer or sell a Texas
2 windstorm and hail insurance policy under this chapter unless the
3 nonresident agent's state of residence authorizes a resident agent
4 licensed in this state to act in the nonresident agent's state as an
5 agent for that state's residual insurer of last resort for
6 windstorm and hail insurance; and

7 (H) [~~(G)~~] other provisions as considered
8 necessary by the department to implement the purposes of this
9 chapter.

10 SECTION 2. This Act takes effect January 1, 2018.