

By: King of Hemphill

H.B. No. 3073

A BILL TO BE ENTITLED

1 AN ACT
2 relating to a joint interim study regarding the spreading of risk
3 and costs related to certain natural disasters across the state by
4 property and casualty insurance companies.

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

6 SECTION 1. JOINT INTERIM COMMITTEE. (a) A joint interim
7 committee is created to study the spreading of risk and costs
8 related to certain natural disasters across the state by property
9 and casualty insurance companies.

10 (b) The committee shall be composed of:

11 (1) two senators appointed by the lieutenant governor;

12 (2) two representatives appointed by the speaker of
13 the house of representatives; and

14 (3) one member appointed by the governor who shall
15 serve as the committee's presiding officer.

16 (c) The committee shall convene at the call of the presiding
17 officer.

18 (d) The committee has all other powers and duties provided
19 to a special or select committee by the rules of the senate and
20 house of representatives, by Subchapter B, Chapter 301, Government
21 Code, and by policies of the senate and house committees on
22 administration.

23 (e) The members of the committee are entitled to
24 reimbursement from the contingent expense fund of the senate and

1 the contingent expense fund of the house of representatives equally
2 for expenses incurred in carrying out the provisions of this
3 section in accordance with the rules of the senate and house of
4 representatives and the policies of the senate and house committees
5 on administration.

6 (f) Not later than the 60th day after the effective date of
7 this Act, the lieutenant governor, the speaker of the house of
8 representatives, and the governor shall appoint the members of the
9 interim committee created under this section.

10 SECTION 2. STUDY. The committee created under Section 1 of
11 this Act shall, with respect to property and casualty insurance
12 companies engaged in the business of insurance in this state,
13 study:

- 14 (1) the amount of insured risk across this state;
15 (2) the losses incurred as a result of localized
16 natural disasters in this state; and
17 (3) the impact the losses described by Subdivision (2)
18 have on the availability and cost of property and casualty
19 insurance in areas of this state not directly affected by natural
20 disasters.

21 SECTION 3. FINDINGS AND RECOMMENDATIONS. Not later than
22 January 15, 2021, the committee created under Section 1 of this Act
23 shall report the committee's findings and recommendations to the
24 lieutenant governor, the speaker of the house of representatives,
25 and the governor. The committee shall include in its
26 recommendations specific statutory changes, including changes to
27 Chapter [2251](#), Insurance Code, that may appear necessary or

1 advisable from the committee's study under Section 2 of this Act.

2 SECTION 4. EXPIRATION. This Act expires September 1, 2021.

3 SECTION 5. EFFECTIVE DATE. This Act takes effect September
4 1, 2019.