BILL ANALYSIS

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Texas Department of Insurance (TDI) biennial recommendation bill that would permit TDI to deny a temporary license application for any of the same reasons TDI may deny an applicant seeking a permanent license. H.B. 2819 also extends the validity of a temporary license from 90 to 180 days.

H.B. 2819 amends current law relating to temporary licenses for insurance professionals.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 4001.153, Insurance Code, as follows:

Sec. 4001.153. APPLICATION FOR AND ISSUANCE OF TEMPORARY LICENSE. (a) Creates this subsection from existing text to create an exception under Subsection (b) to the requirement that the Texas Department of Insurance (TDI) issue a temporary license immediately on receipt of the required application and documentation. Makes a nonsubstantive change.

(b) Authorizes TDI to deny a license application for an insurer or health maintenance organization under Subchapter D (Temporary License) if TDI determines that any of the grounds exist for license denial or disciplinary action under Section 4005.101 (Grounds for License Denial or Disciplinary Action), Insurance Code, or Chapter 53 (Consequences of Criminal Conviction), Occupations Code.

SECTION 2. Amends Section 4001.155, Insurance Code, as follows:

Sec. 4001.155. TERM OF TEMPORARY LICENSE. Provides that a temporary license is valid for 180 days, rather than for 90 days, after the date of issuance.

SECTION 3. Repealer: Section 4001.156(a) (relating to prohibiting a temporary license from being issued to or renewed by the same person more than once in a consecutive six-month period), Insurance Code.

SECTION 4. Makes application of this Act prospective.

SECTION 5. Effective date: September 1, 2021.