H.B. No. 1903

AN ACT

relating to capital stock requirements for certain insurance companies.

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

SECTION 1.  Section 822.056(d), Insurance Code, is amended to read as follows:

(d)  The shareholders of an insurance company authorizing shares of stock without par value must pay a total amount of at least $250,000 for the shares [~~in good faith subscribe and pay for shares representing at least 50 percent of the authorized shares without par value~~] before the company is granted a charter or has its charter amended to authorize the issuance of shares without par value. [~~The total amount paid for the shares must be at least $250,000.~~]

SECTION 2.  Section 841.057(c), Insurance Code, is amended to read as follows:

(c)  The shareholders of an insurance company authorizing shares of stock without par value must pay a total amount of at least $250,000 for the shares [~~in good faith subscribe and pay for shares representing at least 50 percent of the authorized shares without par value~~] before the company is granted a charter or has its charter amended to authorize the issuance of shares without par value. [~~The total amount paid for the shares must be at least $250,000.~~]

SECTION 3.  The following provisions of the Insurance Code are repealed:

(1)  Section 822.055(d);

(2)  Section 841.055(c); and

(3)  Section 841.056(d).

SECTION 4.  This Act takes effect September 1, 2023.

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    President of the Senate Speaker of the House

I certify that H.B. No. 1903 was passed by the House on April 14, 2023, by the following vote:  Yeas 138, Nays 5, 2 present, not voting.

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Chief Clerk of the House

I certify that H.B. No. 1903 was passed by the Senate on May 24, 2023, by the following vote:  Yeas 31, Nays 0.

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Secretary of the Senate

APPROVED:  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

                    Date

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                  Governor