

1-1 By: Oliverson (Senate Sponsor - Johnson) H.B. No. 1587
1-2 (In the Senate - Received from the House May 1, 2023;
1-3 May 1, 2023, read first time and referred to Committee on Business
1-4 & Commerce; May 10, 2023, reported favorably by the following vote:
1-5 Yeas 11, Nays 0; May 10, 2023, sent to printer.)

1-6 COMMITTEE VOTE

1-7	Yea	Nay	Absent	PNV
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			
1-18	X			

1-19 A BILL TO BE ENTITLED
1-20 AN ACT

1-21 relating to the use by insurance companies of separate accounts in
1-22 connection with life insurance and annuities and certain other
1-23 benefits.

1-24 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-25 SECTION 1. The legislature declares that the intent of this
1-26 Act is to be consistent with:

1-27 (1) uniform laws of the various states in which the
1-28 approval of a separate account and of the investments and reserves
1-29 in a separate account is performed by the domiciliary state; and

1-30 (2) recent legislative enactments designed to
1-31 modernize insurance regulation by exempting certain large
1-32 commercial-type policy forms from regulatory filing and approval.

1-33 SECTION 2. Section 1152.055, Insurance Code, is amended to
1-34 read as follows:

1-35 Sec. 1152.055. GUARANTEED BENEFITS AND MONEY RESTRICTION
1-36 FOR SEPARATE ACCOUNTS. A domestic ~~An~~ insurance company may not
1-37 maintain a reserve for a benefit guaranteed as to dollar amount and
1-38 duration or funds guaranteed as to principal amount or stated rate
1-39 of interest in a separate account except with the commissioner's
1-40 approval and under conditions for investments, and other matters,
1-41 that recognize the guaranteed nature of the benefits provided and
1-42 that are prescribed by the department.

1-43 SECTION 3. Subchapter A, Chapter 1701, Insurance Code, is
1-44 amended by adding Section 1701.006 to read as follows:

1-45 Sec. 1701.006. EXEMPTION FOR CERTAIN GROUP ANNUITY
1-46 TRANSACTIONS. (a) The filing and approval requirements in this
1-47 chapter do not apply to any group annuity policy, certificate, or
1-48 contract written or issued by an insurer authorized to engage in the
1-49 business of insurance in this state that involves use of a separate
1-50 account if benefits would also have guarantees from an insurer's
1-51 general account.

1-52 (b) For purposes of this section, a group annuity policy,
1-53 certificate, or contract includes a single premium group annuity
1-54 policy, certificate, or contract that is negotiated between an
1-55 insurer and an applicable group or plan sponsor.

1-56 SECTION 4. This Act takes effect immediately if it receives
1-57 a vote of two-thirds of all the members elected to each house, as
1-58 provided by Section 39, Article III, Texas Constitution. If this
1-59 Act does not receive the vote necessary for immediate effect, this
1-60 Act takes effect September 1, 2023.

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