

BILL ANALYSIS

Senate Research Center

S.B. 1895
By: Sibley
Economic Development
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As Filed

DIGEST

Currently, the Texas Department of Insurance (department) is prohibited from requiring an insurer to comply with certain rules adopted by the National Association of Insurance Commissioners (NAIC) unless authorized by statute. There is considerable pressure and recommendations for the state to adopt model rules and regulations by the NAIC. This bill would prohibit the department from requiring insurers to comply with NAIC rules and regulations unless authorized by a specific statute relating to the subject matter of the rule or regulation.

PURPOSE

As proposed, S.B. 1895 prohibits the Texas Department of Insurance from requiring insurers to comply with National Association of Insurance Commissioners rules and regulations unless authorized by a specific statute relating to the subject matter of the rule or regulation.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Article 1.27, Insurance Code, to prohibit the Texas Department of Insurance from requiring an insurer to comply with any rule, regulation, directive, or standard adopted by the National Association of Insurance Commissioners unless application of the rule is expressly authorized by a specific statute relating to the subject matter of the rule, regulation, directive, or standard and is approved by the commissioner of insurance.

SECTION 2. Emergency clause.
Effective date: upon passage.