

BILL ANALYSIS

Senate Research Center
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S.B. 228
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State Affairs
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DIGEST AND PURPOSE

Currently, underwriting guidelines (company policy regarding whether to insure a group of consumers) used by insurance companies are confidential. The Texas Department of Insurance and the Office of Public Insurance Counsel may request underwriting guidelines of an insurer, but must guard the confidentiality of the information. As proposed, S.B. 228 requires all insurers to file their underwriting guidelines with the Texas Department of Insurance, and makes the guidelines public information.

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 38.002, Insurance Code, as follows:

Sec. 38.002. New heading: PUBLIC ACCESS TO INSURER UNDERWRITING GUIDELINES. (a) Defines “insurer” and “underwriting guideline.”

(b) Requires each insurer to submit to the Texas Department of Insurance (TDI), in the form prescribed by TDI, a copy of the insurer’s underwriting guidelines.

(c) Provides that underwriting guidelines are public information available to the public under Chapter 552 (Public Information), Government Code.

Deletes existing Subsections (c)-(f), pertaining to the use of underwriting guidelines classified as confidential information.

SECTION 2. Amends Section 552.110, Government Code, by adding Subsection (c) to exempt an underwriting guideline under Section 38.002, Insurance Code, from the application of this section (regarding reporting public information requests).

SECTION 3. Effective date: upon passage or September 1, 2003.