

## **BILL ANALYSIS**

Senate Research Center  
79R3221 AJA-D

H.B. 2870  
By: Smithee (Eltime)  
Business & Commerce  
4/23/2005  
Engrossed

### **AUTHOR'S/SPONSOR'S STATEMENT OF INTENT**

Under current law, Article 5.13, Insurance Code, states that Subchapter B, Chapter 5 applies to the writing of fidelity, surety and guaranty bonds. When Article 5.13-2 was amended regarding the regulation of rates and forms for bonds, guaranty bonds were omitted.

H.B. 2870 adds guaranty bonds to the lines of insurance subject to Article 5.13-2, Insurance Code.

### **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 2(a), Article 5.13-2, Insurance Code, to provide that this article applies to guaranty bonds other than criminal court appearance bonds written under policies or contracts of insurance issued by an insurer authorized to engage in the business of insurance in this state.

SECTION 2. Makes application of this Act prospective to January 1, 2006.

SECTION 3. Effective date: September 1, 2005.