

BILL ANALYSIS

Senate Research Center

S.B. 830
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Business & Commerce
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, Section 2251.151, Insurance Code, authorizes the commissioner of insurance (commissioner) to require that an insurer's rates be subject to prior approval if the commissioner determines that the insurer's rates require supervision due to the insurer's financial condition or rating practices, or if a statewide insurance emergency exists.

As proposed, S.B. 830 defines "rating practice" to include the filing or use of a rate the commissioner determines to be excessive, inadequate, or unfairly discriminatory, and the use of a rate that differs from the rate that was filed.

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 2251.151, Insurance Code, by adding Subsection (e) to define "rating practice."

SECTION 2. Effective date: upon passage or September 1, 2007.