

Chapter 756

AN ACT

relating to the establishment of a registry at the Texas Department of Insurance of certain legal entities alleged to have sold race-based insurance coverage.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 521, Insurance Code, is amended by adding Subchapter D to read as follows:

SUBCHAPTER D. RACE-BASED INSURANCE REGISTRY

Sec. 521.151. APPLICABILITY OF SUBCHAPTER. This subchapter applies to any legal entity engaged in the business of insurance in this state, including:

- (1) a capital stock insurance company;
- (2) a mutual insurance company;
- (3) a title insurance company;
- (4) a fraternal benefit society;
- (5) a local mutual aid association;
- (6) a statewide mutual assessment company;
- (7) a county mutual insurance company;
- (8) a Lloyd's plan;
- (9) a reciprocal or interinsurance exchange;
- (10) a stipulated premium company;
- (11) a group hospital service corporation;
- (12) a farm mutual insurance company;
- (13) a risk retention group;

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1 (14) an eligible surplus lines insurer; and

2 (15) an agent, broker, adjuster, or life and health
3 insurance counselor.

4 Sec. 521.152. REGISTRY; INTERNET POSTING. (a) The
5 commissioner shall establish a registry of each legal entity
6 engaged in the business of insurance in this state that, formally or
7 informally, has entered into an agreement with the department:

8 (1) that disposes of allegations of race-based
9 pricing; and

10 (2) under which all or part of the relief agreed on to
11 make insureds whole includes a claims-made offer that remains in
12 place and has not otherwise expired under the terms of the
13 agreement.

14 (b) The registry must be prominently published on the
15 department's Internet website, and must:

16 (1) identify:

17 (A) each insurance company that has entered into
18 an agreement described by Subsection (a); and

19 (B) the eligibility and terms of the insurance
20 company's claims-made offer; and

21 (2) include:

22 (A) a claim form; and

23 (B) links to the Internet website of the
24 insurance company that is administering the claims-made offer.

25 Sec. 521.153. PRESERVATION OF CERTAIN RECORDS REGARDING
26 RACE-BASED PRICING. (a) Notwithstanding Chapter 441, Government
27 Code, the department shall preserve all examinations, exhibits to

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examinations, and other relevant documents regarding race-based pricing that the department has gathered or created with respect to a race-based pricing investigation that is completed or ongoing on September 1, 2009, other than those for which an attorney-client or attorney work product privilege can be claimed, until the time that those documents are eligible for delivery under Subsection (b).

(b) On the completion of the department's race-based pricing investigation, but not later than January 15, 2011, the department shall deliver the records identified under Subsection (a) or copies of those records to the state archivist.

(c) The state archives shall:

(1) using best efforts, preserve and catalogue the records identified under Subsection (a); and

(2) make the records available to the public as soon as appropriate, but not later than January 15, 2015.

SECTION 2. The commissioner of insurance shall establish the registry as required by Subchapter D, Chapter 521, Insurance Code, as added by this Act, not later than January 1, 2010.

SECTION 3. This Act takes effect September 1, 2009.

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Rand Newkum

President of the Senate

Jim Strawn

Speaker of the House

I hereby certify that S.B. No. 698 passed the Senate on April 2, 2009, by the following vote: Yeas 31, Nays 0; and that the Senate concurred in House amendments on May 28, 2009, by the following vote: Yeas 31, Nays 0.

Lacey Spaul

Secretary of the Senate

I hereby certify that S.B. No. 698 passed the House, with amendments, on May 26, 2009, by the following vote: Yeas 138, Nays 8, one present not voting.

Robert Haney

Chief Clerk of the House

Approved:

19 JUN '09

Date

Rick Perry

Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE

2 pm O'CLOCK

JUN 19 2009

Colby Hunter III