

BILL ANALYSIS

H.B. 2819
By: Smithee
Insurance
Committee Report (Unamended)

BACKGROUND AND PURPOSE

There are concerns that the Texas Department of Insurance (TDI) is currently required to issue a temporary insurance agent license to anyone who submits a properly completed application, even if the applicant has a criminal history or compliance issues. In these situations, TDI must issue the license and then seek a revocation through a hearing before the State Office of Administrative Hearings. H.B. 2819 seeks to address these concerns by authorizing TDI to deny a temporary license if it determines that any of the grounds for license denial or disciplinary action under applicable state law exist. The bill also extends the length of time for which a temporary license is valid.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 2819 amends the Insurance Code to extend the period of validity for a temporary insurance agent license from 90 days to 180 days and to authorize the Texas Department of Insurance to deny a temporary license if it determines that any of the grounds for license denial or disciplinary action under applicable state law exist.

H.B. 2819 repeals Section 4001.156(a), Insurance Code, which prohibits a temporary license from being issued to or renewed by the same person more than once in a consecutive six-month period.

EFFECTIVE DATE

September 1, 2021.