

- SUBJECT:** Nonsubstantive recodification of statutes in the Insurance Code
- COMMITTEE:** State Affairs — favorable, as amended
- VOTE:** 5 ayes — Swinford, Gattis, B. Cook, Farrar, Wong  
0 nays  
4 absent — Miller, J. Keffer, Martinez Fischer, Villarreal
- WITNESSES:** For — None  
Against — None  
On — Kristi Ayala, Mark Brown, Texas Legislative Council
- BACKGROUND:** Under Government Code, sec. 323.007, the Texas Legislative Council (TLC) must revise Texas statutes periodically to make them more accessible, understandable, and usable without altering their sense, meaning, or effect. As part of this process, the TLC reclassifies and rearranges statutes in a more logical order; employs a numbering system and format that will accommodate future expansion of the law; eliminates repealed, invalid, or duplicative provisions; and improves the draftsmanship of the law.
- The 76th Legislature in 1999 enacted the first installment of the recodification of the new Insurance Code in SB 1467 by Harris, effective September 1, 1999. The 77th Legislature in 2001 enacted the second installment, HB 2811 by Wolens, effective June 1, 2003. The 78th Legislature in 2003 enacted the third installment, HB 2922 by Marchant, effective April 1, 2005.
- DIGEST:** HB 2017, as amended, would make nonsubstantive revisions to the Insurance Code by adding new titles and collecting and rearranging statutes involving:
- regulation of solvency, including general provisions, reserves and investments, delinquent insurers, guaranty associations, requirement of other jurisdictions, and reinsurance (new Title 4);

- property and casualty insurance, including general provisions, liability insurance for physicians and health care providers, automobile insurance, fire insurance and allied lines, including residential property insurance, coverage for aircraft, pools, groups, plans, and self-insurance, ratemaking in general, and policy forms in general (new Title 10);
- other coverage, including credit involuntary unemployment insurance, mortgage guaranty insurance, and surety bonds and related instruments (new Title 12); and
- utilization review and independent review (new Title 14).

The bill also would add various conforming amendments to other parts of the Insurance Code and repeal existing provisions that would be recodified as the new titles of the Insurance Code. It would state legislative intent that the bill is intended as a recodification only and would make no substantive change in the law.

The bill would take effect April 1, 2007.

**SUPPORTERS  
SAY:**

HB 2017 would enact the fourth installment of the recodification of the Insurance Code. This reorganization of existing law is an ongoing project of the Texas Legislative Council. The draft has been extensively reviewed and would make no substantive change in the law. It would comply with the purpose of recodification, which is to make statutory law more accessible, understandable, and usable without altering the sense, meaning, or effect of existing law.

**OPPONENTS  
SAY:**

No apparent opposition.

**NOTES:**

The committee amendment would make nonsubstantive corrections.

The companion bill, SB 1028 by Harris, has been referred to the Senate Administration Committee.