

- SUBJECT:** Allowing OPIC to publish insurance specimen policies on its website
- COMMITTEE:** Insurance — favorable, without amendment
- VOTE:** 7 ayes — Frullo, Muñoz, G. Bonnen, Guerra, Meyer, Paul, Workman
0 nays
2 absent — Sheets, Vo
- SENATE VOTE:** On final passage, March 30 — 22-8 (Bettencourt, Burton, Campbell, Hall, Hancock, Huffines, Kolkhorst, V. Taylor)
- WITNESSES:** No public hearing
- BACKGROUND:** Insurance Code, ch. 1812 gives property and casualty insurers the option to post specimen policies on their websites rather than provide these documents on paper. Specimen policies are samples that contain no personally identifiable information but otherwise reflect the information and provisions of a standard policy or insurance form.
- An insurer that posts a specimen policy on its website must make the policy available to consumers. In addition, under sec. 1812.003(a)(3), the insurer must provide an electronic copy of the specimen policy to the Texas Department of Insurance and the Office of Public Insurance Counsel that may be posted on both agencies' websites.
- DIGEST:** SB 494 would authorize the Office of Public Insurance Counsel (OPIC) to post property and casualty insurers' specimen policies on the OPIC website. This online posting would not create a duty under Insurance Code, ch. 1812 for an insurer to make the policy available to consumers.
- The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2015.

**SUPPORTERS
SAY:**

SB 494 would increase transparency and disclosure to insurance consumers. Allowing Office of Public Insurance Counsel (OPIC) to post specimen policies on its website could supplement OPIC's existing insurance comparison tool by enabling consumers to view actual sample policies when comparing insurance companies.

While OPIC already may have the authority to post specimen policies under the Insurance Code, concerns about litigation have kept the office from adding this feature to its website. The bill would clarify that the Insurance Code gives the office the explicit authority to post specimen policies online.

**OPPONENTS
SAY:**

SB 494 could remove the discretion of insurers whether to publish specimen forms by explicitly allowing OPIC to post specimen policies on its website. The decision to publish specimen policies online should be left entirely to the insurer, and the government should play no role.