

BILL ANALYSIS

Senate Research Center
88R7376 CJD-F

H.B. 1901
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Business & Commerce
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The current system of requiring reports to be filed by certified mail requires Texas Department of Insurance (TDI) staff to manage and scan the paper filings for retention and processing. It is inefficient and adds cost both to TDI and to title agents and operators.

Currently title agents and operators are required to file annual trust fund account audit reports by certified mail. H.B. 1901 amends Section 2651.151 of the Insurance Code to allow electronic submissions of audit reports. The bill requires those entities to file an audit report without specifying the manner of filing. This change gives TDI flexibility to create electronic processes without mandating that it be done electronically.

H.B. 1901 was a biennial recommendation from TDI.

H.B. 1901 amends current law relating to the filing of an annual audit report by a title insurance company, title insurance agent, or direct operation.

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 2651.151(b), Insurance Code, to require an agent or direct operation, not later than the 90th day after the date of the end of the agent's or direct operation's fiscal year, to file with the Texas Department of Insurance (TDI), rather than send by certified mail, postage prepaid, to TDI, one copy of the audit report with a transmittal letter.

SECTION 2. Amends Section 2651.152(b), Insurance Code, to require a title insurance company, not later than the 90th day after the date of the end of the company's fiscal year, to file with TDI, rather than send by certified mail, postage prepaid, to TDI, one copy of the audit report.

SECTION 3. Effective date: September 1, 2023.