



## MEMORANDUM

**To: TSLA**

**Re: *Sine Die* Report**

**From: Keith Strama**

**Date: June 12, 2023**

The 88<sup>th</sup> Session of the Texas legislature adjourned *Sine Die* on May 29. A Special Session was called by the Governor to begin May 30 to only address compression of school property taxes and increased penalties for human trafficking. At this time, no insurance issues can be addressed in the Special Session.

### **Outcome of TSLA critical bills:**

**SB 796** – Passed. Makes void provisions in surplus lines contracts requiring out-of-state arbitration. TSLA successfully modified the bill to take out form regulation which would have made such provisions illegal. A broad industry effort to kill the bill failed. The Governor has been asked to veto the bill and has until June 18 to decide. **Bill was vetoed by the Governor on 6/17/2023.**

**SB 833**- Passed and signed by the Governor. As you may recall, TSLA and other industry members had deep concerns about different versions of this bill which would have prevented many carriers from participating in the Texas market based on environmental or social governance policies.

TSLA worked extensively with the bill authors and other stakeholders to narrow the language to apply only to use of ESG factors in ratemaking decisions in Texas, a compromise acceptable to the carriers who participated in the stakeholder group. Importantly the bill states that "This chapter does not require the filing of rates for any line, type of insurer, or type of insurance business that is not specifically required by statute to file rates with the department."

Bill language can be found below.

<https://capitol.texas.gov/BillLookup/Text.aspx?LegSess=88R&Bill=SB833>

**HB 1706** – Passed. Prohibits form insurers from disallowing the use of Public Adjusters by insureds.

**HB 2127** (Burrows/Creighton) the Texas Regulatory Consistency Act prohibiting local ordinances related to agriculture, finance, insurance, labor, environment, occupations and property – Sent to the governor