

**SUBCHAPTER L. REPORTING REQUIREMENTS FOR LIABILITY INSURANCE
UNDER INSURANCE CODE
ARTICLE 1.24A AND ARTICLE 1.24B
28 TAC §§5.9201, 5.9202, and 5.9204**

1. INTRODUCTION. The Texas Department of Insurance proposes the repeal of 28 TAC Chapter 5, Subchapter L, concerning reporting requirements for liability insurance under Insurance Code, Article 1.24A and Article 1.24B. The proposed repeal conforms the rules to changes made by SB 784, 84th Legislature, Regular Session (2015).

2. EXPLANATION. SB 784 repeals Insurance Code Chapter 38, Subchapter D, eliminating the data calls and legislative report on liability insurance for closed claims reports. SB 784 also deleted the references to Subchapter D in Insurance Code, §§2206.002(b), 2207.002(b), 2208.002(b), and 2212.053(a).

The repeal of Chapter 5, Subchapter L deletes TDI's annual and reconciliation closed claim liability insurance data calls, including associated quarterly report forms and instructions.

3. FISCAL NOTE AND LOCAL EMPLOYMENT IMPACT STATEMENT. Kevin Brady, deputy commissioner for agency affairs, has determined that for each year of the first five years the proposed repeal will be in effect, there will be no fiscal impact to state and local governments as a result of the enforcement or administration of the rule. There will

be no measurable effect on local employment or the local economy as a result of the proposal.

4. PUBLIC BENEFIT AND COST NOTE. Mr. Brady has determined that for each year of the first five years the repeal is in effect, the public benefits anticipated as a result of the proposed repeal will be the more efficient use of state and industry resources.

5. ECONOMIC IMPACT STATEMENT AND REGULATORY FLEXIBILITY ANALYSIS FOR SMALL AND MICRO BUSINESSES. TDI has determined that the proposed repeal of Chapter 5, Subchapter L will not have an adverse economic effect or a disproportionate economic impact on small or micro businesses. Small or micro businesses will no longer need to comply with the regulatory requirement to provide information on closed claims. As a result, and in accordance with Government Code §2006.002(c), TDI is not required to prepare a regulatory flexibility analysis.

6. TAKINGS IMPACT ASSESSMENT. TDI has determined that no private real property interests are affected by this proposal and that this proposal does not restrict or limit an owner's right to property that would otherwise exist in the absence of government action. As a result, this proposal does not constitute a taking or require a takings impact assessment under Government Code §2007.043.

7. REQUEST FOR PUBLIC COMMENT. Submit any written comments on the proposal no later than 5 p.m., Central time, on January 18, 2016. TDI requires two copies of your

comments. Send one copy either by mail to the Texas Department of Insurance, Office of the Chief Clerk, Mail Code 113-2A, P.O. Box 149104, Austin, Texas 78714-9104; or by email to chiefclerk@tdi.texas.gov. Send the other copy either by mail to Kevin Brady, Deputy Commissioner for Agency Affairs, Texas Department of Insurance, Mail Code 113-1C, P.O. Box 149104, Austin, Texas 78714-9104; or by email to Kevin.Brady@tdi.texas.gov. If you wish to request a public hearing, submit a request separately to the chief clerk by email at chiefclerk@tdi.texas.gov or by mail to the Texas Department of Insurance, Office of the Chief Clerk, MC 113-2A, P.O. Box 149104, Austin, Texas 78714-9104 before the close of the public comment period. If TDI holds a hearing, the commissioner will consider written comments and testimony presented at the hearing.

8. STATUTORY AUTHORITY. TDI proposes the repeal of Chapter 5, Subchapter L, under Insurance Code Chapter 38, Subchapter D, which was repealed, eliminating the data calls and legislative report on liability insurance for closed claims reports. SB 784 also deleted the references to Subchapter D in Insurance Code, §§2206.002(b), 2207.002(b), 2208.002(b), and 2212.053(a). Insurance Code §36.001 provides that the commissioner may adopt rules and regulations to execute the duties and functions of TDI as authorized by statute.

9. CROSS-REFERENCE TO STATUTE. The repeal implements the repeal of Insurance Code Chapter 38, Subchapter D.

10. TEXT.

Subchapter L. Reporting Requirements for Liability Insurance Under The Insurance Code, Article 1.24A and Article 1.24B.

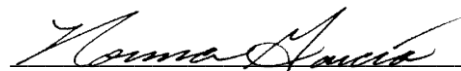
§5.9201. Quarterly Closed Claim Report Forms--Liability Insurance under the Insurance Code, Article 1.24B.

§5.9202. Annual Closed Claim Report Forms-Liability Insurance under the Insurance Code, Article 1.24B.

§5.9204. Texas Closed Claim Reconciliation Form for the Calendar Year.

CERTIFICATION. This agency certifies that legal counsel has reviewed the proposal and found it to be within the agency's legal authority to adopt.

Issued at Austin, Texas, on December 4, 2015.



Norma Garcia
General Counsel
Texas Department of Insurance