CHAPTER 27
S.B. No. 672
AN ACT
relating to the regulation of industrialized housing.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Subchapter C, Chapter 1202, Occupations Code, is amended by adding Section 1202.107 to read as follows:

Sec. 1202.107. LIMITATION ON CERTAIN ACTIONS. (a) Notwithstanding any other law, the commission, executive director, or department may not perform an inspection or investigation, open a complaint, or initiate an administrative or enforcement action against a manufacturer, builder, or third-party inspector of industrialized housing after the second anniversary of the date of the final on-site inspection of the industrialized housing conducted under Section 1202.203.

(b) The commission or executive director may impose a penalty or sanction in an enforcement action against a manufacturer, builder, or third-party inspector of industrialized housing only if the commission, executive director, or department initiates the enforcement action during the period prescribed by Subsection (a).

SECTION 2. Section 1202.107, Occupations Code, as added by this Act, applies only to a complaint opened, administrative action or enforcement action initiated, or penalty imposed regarding industrialized housing that is the subject of an on-site inspection under Section 1202.203, Occupations Code, conducted on or after the effective date of this Act.

SECTION 3. This Act takes effect September 1, 2013.

Passed the Senate on April 3, 2013: Yeas 31, Nays 0; passed the House on April 26, 2013: Yeas 139, Nays 2, two present not voting.

Approved May 10, 2013.

Effective September 1, 2013.

CHAPTER 28
S.B. No. 840
AN ACT
relating to certain promotional practices not considered to be prohibited discrimination, rebates, or inducements in insurance.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Subsection (b), Section 541.068, Insurance Code, is amended to read as follows:

(b) It is not a rebate or discrimination prohibited by Section 541.056(a) or 541.057:

(1) for a life insurance or life annuity contract, to pay a bonus to a policyholder or otherwise abate the policyholder's premiums in whole or in part out of surplus accumulated from nonparticipating insurance policies if the bonus or abatement:

(A) is fair and equitable to policyholders; and

(B) is in the best interests of the insurer and its policyholders;

(2) for a life insurance policy issued on the industrial debit plan, to make to a policyholder who has continuously for a specified period made premium payments directly to the insurer's office an allowance in an amount that fairly represents the saving in collection expenses;
(3) for a group insurance policy, to readjust the rate of premium based on the loss or expense experience under the policy at the end of a policy year if the adjustment is retroactive for only that policy year;

(4) for a life annuity contract, to waive surrender charges under the contract when the contract holder exchanges that contract for another annuity contract issued by the same insurer or an affiliate of the same insurer that is part of the same holding company group if:

(A) the waiver and the exchange are fully, fairly, and accurately explained to the contract holder in a manner that is not deceptive or misleading; and

(B) the contract holder is given credit for the time that the previous contract was held when determining any surrender charges under the new contract;

(5) in connection with an accident and health insurance policy, to provide to policy or certificate holders, in addition to benefits under the terms of the insurance contract, health-related services or health-related information, or to disclose the availability of those additional services and information to prospective policy or certificate holders; [or]

(6) in connection with a health maintenance organization evidence of coverage, to provide to enrollees, in addition to benefits under the evidence of coverage, health-related services or health-related information, or to disclose the availability of those additional services and information to prospective enrollees or contract holders; or

(7) in connection with an offer or sale of a life insurance policy or contract, accident and health insurance policy or contract, or annuity contract, to provide, or allow or offer to give, provide, or allow an item that is a promotional advertising item, educational item, or traditional courtesy commonly extended to consumers and that is valued at $25 or less.

SECTION 2. Section 1806.053, Insurance Code, is amended to read as follows:

Sec. 1806.053. DISCRIMINATIONS OR DISTINCTIONS. Except as provided by this subchapter [Section 1806.056], with respect to business written in this state:

(1) an insurer may not discriminate or make a distinction, or permit discrimination or a distinction to be made, among insureds having like hazards with respect to premiums charged for, or dividends or other benefits payable under, an insurance policy;

(2) an insurer or an insurer's agent may not make an insurance contract or an agreement relating to that insurance, other than as expressed in the policy; and

(3) an insurer or an insurer's agent or other representative may not directly or indirectly pay, allow, or give, or offer to pay, allow, or give, as an inducement to the insured, a rebate payable on the policy or a special favor or advantage in the dividends or other benefits to accrue, or anything of value, not specified in the policy.

SECTION 3. Subchapter B, Chapter 1806, Insurance Code, is amended by adding Section 1806.059 to read as follows:

Sec. 1806.059. CERTAIN PROMOTIONAL PRACTICES AUTHORIZED. Section 1806.053 does not prohibit an insurer or an insurer's agent or other representative from, in connection with an offer or sale of an insurance policy subject to this subchapter, giving, providing, or allowing or offering to give, provide, or allow an item that is a promotional advertising item, educational item, or traditional courtesy commonly extended to consumers and that is valued at $25 or less.

SECTION 4. Subchapter C, Chapter 1806, Insurance Code, is amended by adding Section 1806.1041 to read as follows:

Sec. 1806.1041. CERTAIN PROMOTIONAL PRACTICES AUTHORIZED. Section 1806.104 does not prohibit an insurer, an insurer's employee, or a broker or agent from, in connection with an offer or sale of an insurance policy subject to this subchapter, giving, providing, or allowing or offering to give, provide, or allow an item that is a promotional advertising item, educational item, or traditional courtesy commonly extended to consumers and that is valued at $25 or less.

SECTION 5. Subchapter D, Chapter 1806, Insurance Code, is amended by adding Section 1806.1541 to read as follows:
Sec. 1806.1541. CERTAIN PROMOTIONAL PRACTICES AUTHORIZED. Section 1806.153 does not prohibit an insurer from, in connection with an offer or sale of an insurance policy or contract subject to this subchapter, giving, providing, or allowing or offering to give, provide, or allow an item that is a promotional advertising item, educational item, or traditional courtesy commonly extended to consumers and that is valued at $25 or less.

SECTION 6. Section 4005.053, Insurance Code, is amended by adding Subsection (d) to read as follows:

(d) Subsection (c) does not prohibit an agent from, in connection with an offer or sale of an insurance policy or contract, giving, providing, or allowing or offering to give, provide, or allow an item that is a promotional advertising item, educational item, or traditional courtesy commonly extended to consumers and that is valued at $25 or less.

SECTION 7. The change in law made by this Act applies only to conduct that occurs on or after the effective date of this Act. Conduct that occurs before the effective date of this Act is governed by the law applicable to the conduct immediately before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION 8. This Act takes effect September 1, 2013.

Passed the Senate on March 21, 2013: Yeas 31, Nays 0; passed the House on April 25, 2013: Yeas 135, Nays 0, one present not voting.

Approved May 10, 2013.

Effective September 1, 2013.

CHAPTER 29

S.B. No. 846

AN ACT

relating to training, certification, and accreditation provided or regulated by the Texas Veterans Commission.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Subsections (d) and (e), Section 434.038, Government Code, are amended to read as follows:

(d) The commission shall develop standard course materials, training curriculum, and examinations to be used for county service officer certification and United States Department of Veterans Affairs accreditation. [The members of the commission must approve the course materials, training curriculum, and examinations before the commission may distribute the materials and administer examinations.]

(e) The commission shall:

(1) maintain course materials and examinations in a central location and provide county service offices and commission field staff with access to the course materials on the commission's Internet website;

(2) regularly update course materials, training curriculum, and examinations after consulting with:

(A) the United States Department of Veterans Affairs to ensure the course materials, training curriculum, and examinations are accurate and meet applicable United States Department of Veterans Affairs requirements; and

(B) accredited county service officers to ensure the materials, training curriculum, and examinations include issues developing at the county level; [and]

(3) develop a training handbook containing instruction and case studies addressing:

(A) general assistance techniques, including how to provide general information regarding state and federal benefits and referrals for other services and to other agencies, and general information regarding state and federal benefits;