

BILL ANALYSIS

Senate Research Center
76R7981 DB-F

H.J.R. 69
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Intergovernmental Relations
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Engrossed

DIGEST

Currently, political subdivisions are allowed to buy most insurance policies from mutual insurance companies, except for property and casualty lines, although not nonassessable property and casualty policies. If it were possible to purchase such insurance policies from mutual insurance companies, competitive bidding could reduce the cost of buying policies for taxpayers. H.J.R. 69 requires the submission to the voters of a constitutional amendment to permit a political subdivision to purchase certain nonassessable insurance from an authorized mutual insurance company in the same manner that other insurance is purchased.

PURPOSE

As proposed, H.J.R. 69 requires the submission to the voters of a constitutional amendment to permit a political subdivision to purchase certain nonassessable insurance from an authorized mutual insurance company in the same manner that other insurance is purchased.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 52(a), Article III, Texas Constitution, to allow property and casualty insurance policy premiums to be paid through public funds or credits.

SECTION 2. Requires this constitutional amendment to be submitted to the voters at an election to be held on November 2, 1999. Sets forth the required language for the ballot.