

## **BILL ANALYSIS**

Senate Research Center  
79R5764 PB-F

H.B. 1201  
By: Seaman (Averitt)  
Business & Commerce  
4/26/2005  
Engrossed

### **AUTHOR'S/SPONSOR'S STATEMENT OF INTENT**

Section 4001.162, Insurance Code, currently allows an agent, insurer, or health maintenance organization to appoint a maximum of 250 temporary license holders during a calendar year. The 70th Legislature, Regular Session, 1987, first restricted the number of allowable temporary agent licenses in order to prohibit certain abuses of the temporary licensing statute.

H.B. 1201 provides for increased employment of new insurance agents in Texas, while still protecting against abuse of the temporary agent's license.

### **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 4001.162, Insurance Code, as effective April 1, 2005, to prohibit an agent, insurer, or health maintenance organization from appointing more than 500, rather than 250, temporary license holders during a calendar year.

SECTION 2. Effective date: upon passage or September 1, 2005.