

82R3059 TJS-D

By: Carona

S.B. No. ~~322~~

A BILL TO BE ENTITLED  
AN ACT

relating to the requirements for reinsurance contracts covering title insurance policies issued in this state.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 2551.302, Insurance Code, is amended to read as follows:

Sec. 2551.302. REQUIREMENTS FOR REINSURING POLICIES. A title insurance company may reinsure any of its policies and contracts issued on real property located in this state or on policies and contracts issued in this state under Chapter 2751, if[+

[~~1~~] the reinsuring title insurance company is authorized to engage in business in this state under this title[+ and

~~and~~ [~~2~~] ~~the department first approves the form of the reinsurance contract~~].

SECTION 2. Section 2551.303, Insurance Code, is repealed.

SECTION 3. The change in law made by this Act applies only to a reinsurance contract entered into by a title insurance company on or after the effective date of this Act. A reinsurance contract entered into by a title insurance company before the effective date of this Act is governed by the law in effect immediately before the effective date of this Act, and the former law is continued in effect for that purpose.

SECTION 4. This Act takes effect September 1, 2011.