

CHAPTER 1008

H.B. No. 1540

AN ACT

relating to the regulation of multiple employer welfare arrangements; creating offenses and providing civil and criminal penalties; providing for fees.

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

SECTION 1. Chapter 3, Insurance Code, is amended by adding Subchapter I to read as follows:

SUBCHAPTER I. MULTIPLE EMPLOYER WELFARE ARRANGEMENTS

Art. 3.95-1. DEFINITIONS. In this subchapter:

- (1) "Board" means the State Board of Insurance.*
- (2) "Commissioner" means the commissioner of insurance.*
- (3) "Employee welfare benefit plan" has the meaning assigned by Section 3(1) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. Section 1002(1)).*
- (4) "Fully insured multiple employer welfare arrangement" means a multiple employer welfare arrangement that provides benefits to its participating employees and beneficiaries for which 100 percent of the liability has been assumed by an insurance company authorized to do business in this state.*
- (5) "Multiple employer welfare arrangement" has the meaning assigned by Section 3(40) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. Section 1002(40)) to describe an entity which meets either or both of the following criteria:*

(A) one or more of the employer members in the multiple employer welfare arrangement is either domiciled in this state or has its principal headquarters or principal administrative office in this state; or

(B) the multiple employer welfare arrangement solicits an employer that is domiciled in this state or has its principal headquarters or principal administrative office in this state.

Art. 3.95-2. CERTIFICATE OF AUTHORITY. (a) A person shall not establish or maintain an employee welfare benefit plan which is a multiple employer welfare arrangement in this state unless the multiple employer welfare arrangement obtains and maintains a certificate of authority pursuant to this subchapter. This subchapter shall not apply to a fully insured multiple employer welfare arrangement for so long as such multiple employer welfare arrangement remains fully insured. The commissioner may, from time to time, require proof that the multiple employer welfare arrangement is fully insured.

(b) A person wishing to establish an employee welfare benefit plan which is a multiple employer welfare arrangement shall apply for an initial certificate of authority on a form

prescribed by the commissioner. The application shall be completed and submitted along with all information required by the commissioner, including:

(1) copies of all articles, bylaws, agreements, trusts, or other documents or instruments describing the rights and obligations of employers, employees, and beneficiaries with respect to the multiple employer welfare arrangement;

(2) current financial statements of the multiple employer welfare arrangement;

(3) proof of a fidelity bond which shall protect against acts of fraud or dishonesty in servicing the multiple employer welfare arrangement, covering each person responsible for servicing the employee welfare benefit plan in an amount equal to the greater of 10 percent of the premiums and contributions received by the multiple employer welfare arrangement, or 10 percent of the benefits paid, during the preceding calendar year, with a minimum of \$10,000 and a maximum of \$500,000; no additional bond shall be required of a third-party administrator licensed to engage in business in this state;

(4) a statement showing in full detail the plan on which the multiple employer welfare arrangement proposes to transact business;

(5) an initial actuarial opinion in compliance with the requirements of Subsection (a)(2), Article 3.95-8, of this code and subject to Subsection (c), Article 3.95-8, of this code; and

(6) a certification by the applicant that the multiple employer welfare arrangement is in compliance with all applicable provisions of the Employee Retirement Income Security Act of 1974 (29 U.S.C. Section 1001 et seq.).

(c) The commissioner shall promptly examine the application and documents submitted by the applicant and shall have the power to conduct any investigation which the commissioner may deem necessary and to examine under oath any persons interested in or connected with the multiple employer welfare arrangement.

(d) Within 60 days of the filing of the application, the commissioner shall issue the initial certificate of authority, which shall be a temporary certificate for a term of one year, to a multiple employer welfare arrangement, provided all of the following conditions have been met:

(1) the employers in the multiple employer welfare arrangement are members of an association or group of five or more businesses which are in the same trade or industry, including closely related businesses which provide support, services, or supplies primarily to that trade or industry;

(2) if an association, that the association in the multiple employer welfare arrangement is engaged in substantial activity for its members other than sponsorship of an employee welfare benefit plan;

(3) if an association, that the association in the multiple employer welfare arrangement has been in existence for a period of not less than two years prior to engaging in any activities relating to the provision of employee health benefits to its members;

(4) the employee welfare plan of the association or group in the multiple employer welfare arrangement is controlled and sponsored directly by participating employers, participating employees, or both;

(5) the association or group of employers in the multiple employer welfare arrangement is a not-for-profit organization;

(6) the multiple employer welfare arrangement has within its own organization adequate facilities and competent personnel, as determined by the commissioner, to service the employee benefit plan or has contracted with a third-party administrator licensed to engage in business in this state;

(7) the multiple employer welfare arrangement has applications from not less than five employers and will provide similar benefits for not less than 200 separate participating employees, and the annual gross premiums of or contributions to the plan will be not less than \$20,000 for a plan that provides only vision benefits, \$75,000 for a plan that provides only dental benefits, and \$200,000 for all other plans;

(8) *the multiple employer welfare arrangement possesses a written commitment, binder, or policy for stop-loss insurance issued by an insurer authorized to do business in this state providing not less than 90 days notice to the commissioner of any cancellation or nonrenewal of coverage and which provides both specific and aggregate coverage with an aggregate retention of no more than 125 percent of the amount of expected claims for the next plan year and a specific retention amount annually determined by the actuarial report required by Article 3.95-8 of this code;*

(9) *both the specific and aggregate coverage will require all claims to be submitted within 90 days after the claim is incurred and provide a 12-month claims incurred period and a 15-month paid claims period for each policy year;*

(10) *the contributions shall be set to fund at least 100 percent of the aggregate retention plus all other costs of the multiple employer welfare arrangements;*

(11) *if the reserves required by Subsection (a)(2)(B), Article 3.95-8, of this code exceed the greater of 40 percent of the total contributions for the preceding plan year or 40 percent of the total contributions expected for the current plan year, the contributions may be reduced to fund less than 100 percent of the aggregate retention plus all other costs of the multiple employer welfare arrangement, but in no event less than the level of contributions necessary to fund the minimum reserves required under Subsection (a)(2)(B), Article 3.95-8, of this code;*

(12) *the reserves described in Subsection (a)(2)(B), Article 3.95-8, of this code have been established or will be established before the final certificate of authority is issued;*

(13) *the multiple employer welfare arrangement has established a procedure for handling claims for benefits in the event of dissolution of the multiple employer welfare arrangement; and*

(14) *the multiple employer welfare arrangement has obtained the required bond.*

(e) *On receipt of its initial certificate of authority, the multiple employer welfare arrangement shall commence business.*

(f) *The multiple employer welfare arrangement, each of its trustees or directors and officers, and any agent or other person associated with the multiple employer welfare arrangement, other than a participating employer in its capacity as such and its participating employees, shall be subject to disqualification if the person:*

(1) *made a material misstatement or omission in an application for a certificate of authority under this subchapter;*

(2) *obtained or attempted to obtain at any time a certificate of authority or license for an insurance entity through intentional misrepresentation or fraud;*

(3) *misappropriated or converted to the person's own use or improperly withheld money under an employee welfare benefit plan or multiple employer welfare arrangement;*

(4) *is prohibited from serving in any capacity with the multiple employer welfare arrangement under Section 411 of the Employee Retirement Income Security Act of 1974 (28 U.S.C. Section 1111);*

(5) *without reasonable cause or excuse failed to appear in response to a subpoena, examination, warrant, or any other order lawfully issued by the commissioner; or*

(6) *has previously been subject to a determination by the commissioner resulting in the suspension or revocation of a certificate of authority or license or denial of a certificate of authority or license on grounds that would be sufficient for suspension or revocation.*

(g) *A multiple employer welfare arrangement in existence on June 1, 1993, shall file notice with the commissioner by December 31, 1993, of its intent to apply for an initial certificate of authority and shall file for its initial certificate of authority by June 1, 1994. The multiple employer welfare arrangement may continue to conduct business until the initial certificate of authority is granted or finally denied by the commissioner.*

(h) *A multiple employer welfare arrangement possessing an initial certificate of authority must apply for a final certificate of authority no later than one year after issuance of its initial certificate of authority. The multiple employer welfare arrangement shall file an*

application on a form prescribed by the commissioner and furnish such information as may be required by the commissioner. The application shall include only:

(1) the names and addresses of:

(A) the association or group of employers sponsoring the multiple employer welfare arrangement;

(B) the members of the board of trustees or directors, as applicable, of the multiple employer welfare arrangement; and

(C) if not an association, at least five employers, which information shall be retained by the commissioner as confidential;

(2) evidence that the bonding requirements have been met;

(3) copies of all plan documents and agreements with service providers, which shall be retained by the commissioner as confidential; and

(4) a funding report containing:

(A) a statement certified by the board of trustees or directors, as applicable, and an actuarial opinion that all applicable requirements of Article 3.95-8 of this code have been met;

(B) an actuarial opinion which sets forth a description of the extent to which contributions or premium rates:

(i) are not excessive;

(ii) are not unfairly discriminatory; and

(iii) are adequate to provide for the payment of all obligations and the maintenance of required cash reserves and surplus by the multiple employer welfare arrangement;

(C) a statement of the current value of the assets and liabilities accumulated by the multiple employer welfare arrangement and a projection of the assets, liabilities, income, and expenses of the multiple employer welfare arrangement for the next 12-month period; and

(D) a statement of the costs of coverage to be charged, including an itemization of amounts for administration, reserves, and other expenses associated with operation of the multiple employer welfare arrangement.

(i) After examination and investigation, the commissioner shall issue a final certificate of authority to the multiple employer welfare arrangement if the commissioner is satisfied that the multiple employer welfare arrangement meets the requirements of this subchapter. The commissioner shall refuse to grant a final certificate of authority to an applicant that fails to meet the requirements of this subchapter. Notice of refusal shall be in writing, shall set forth the basis for the refusal, and shall also constitute 30 days' advance notice of revocation of the initial certificate of authority. The initial certificate of authority may be extended for up to one year at the discretion of the commissioner on a determination that the multiple employer welfare arrangement is likely to meet the requirements of this subchapter within one year. No more than one extension of the initial certificate of authority shall be granted regardless of the length of time for which an extension was granted.

(j) If the applicant submits a written request for hearing within 30 days after mailing of the notice of refusal, revocation of the initial certificate of authority shall be temporarily stayed and the commissioner shall promptly conduct a hearing in which the applicant shall be given an opportunity to show compliance with the requirements of this subchapter.

Art. 3.95-3. FEES. (a) The commissioner shall collect and the multiple employer welfare arrangement shall pay fees to the commissioner as set by the commissioner for:

(1) application for initial certificate of authority;

(2) application for final certificate of authority; and

(3) filing fee for annual statement.

(b) The commissioner shall set the fees established in accordance with Subsection (a) of this article in amounts reasonable and necessary to defray the cost of administration of this subchapter.

(c) Each multiple employer welfare arrangement shall appoint the commissioner as its resident agent for purposes of service of process. The fee for such service shall be \$50, payable at the time of appointment.

(d) Fees paid under this article shall be deposited in the state treasury to the credit of the State Board of Insurance operating fund.

Art. 3.95-4. **BENEFITS ALLOWED.** (a) A multiple employer welfare arrangement authorized under this subchapter shall be limited to providing any one or more of the following:

- (1) medical, dental, optical, surgical, or hospital care;
- (2) benefits in the event of sickness, accident, disability, or death;
- (3) any other benefit authorized for health insurers in this state; and
- (4) prepaid legal services.

(b) A multiple employer welfare arrangement may only provide benefits to active or retired owners, officers, directors, or employees of or partners in participating employers, or the beneficiaries of such persons, except as may otherwise be limited by provisions of the Employee Retirement Income Security Act of 1974 (29 U.S.C. Section 1001 et seq.).

Art. 3.95-5. **NAME; EVIDENCE OF EXISTENCE.** No multiple employer welfare arrangement authorized under this subchapter shall take any name which is the same as or closely resembles the name of any other multiple employer welfare arrangement possessing a certificate of authority and doing business in this state. A multiple employer welfare arrangement shall transact its business under its own name and shall not adopt any assumed name, except that a multiple employer welfare arrangement by amending its articles may change its name or take a new name with the approval of the commissioner. Whenever it shall be necessary in any legal proceeding to prove the existence of a multiple employer welfare arrangement, a certified copy of the multiple employer welfare arrangement's certificate of authority shall be prima facie evidence of the existence of the multiple employer welfare arrangement.

Art. 3.95-6. **POWERS OF MULTIPLE EMPLOYER WELFARE ARRANGEMENTS.** Every multiple employer welfare arrangement, unless otherwise provided in or inconsistent with this subchapter, shall have power:

- (1) to have succession, by its name, for the term stated in its trust agreement;
- (2) to sue and be sued, to complain and defend in any court of law or equity, or to be a party to any proceedings before any board or commission or other public body of this state or of any other state or government; suits at law may be maintained by the multiple employer welfare arrangement against any of its participating employers, employees, or beneficiaries for any cause relating to the business of the multiple employer welfare arrangement;
- (3) to have a seal which may be altered at pleasure and to use the seal by causing it or a facsimile of it to be impressed, affixed, or otherwise reproduced;
- (4) to appoint such officers and agents as the business of the multiple employer welfare arrangement shall require and to allow them suitable compensation;
- (5) to make, alter, amend, and repeal bylaws for the regulation and government of its affairs; and
- (6) to conduct its business in this state, other states, the District of Columbia, the territories and colonies of the United States, and foreign countries and their territories and colonies; to have one or more offices out of this state; and to acquire, purchase, hold, mortgage, pledge, assign, transfer, and convey real and personal property subject to the provisions of this subchapter.

Art. 3.95-7. **FILING OF ARTICLES; NOTICE OF ELECTIONS; BOARD OF TRUSTEES OR DIRECTORS.** (a) The articles or bylaws, or trust agreement, as applicable, of the multiple employer welfare arrangement and all appurtenant amendments shall be filed with the commissioner before becoming operative.

(b) At least 75 percent of the trustees or directors shall be elected by the member employers of the multiple employer welfare arrangement. Each trustee or director shall be elected for

at least a two-year term. Each member employer of a multiple employer welfare arrangement shall be given notice of every election of trustees or directors and shall be entitled to an equal vote either in person or by proxy in writing signed by the member employer. No owner, officer, or employee of a third-party administrator who provides services to the multiple employer welfare arrangement or of any other person who has received compensation from the multiple employer welfare arrangement may serve as proxy.

(c) The powers of a multiple employer welfare arrangement, except as otherwise provided, shall be exercised by the board of trustees or directors chosen to carry out the purposes of the organizational documents. Not less than 75 percent of the trustees or directors shall be persons who are covered under the multiple employer welfare arrangement, and no trustee or director shall be an owner, officer, or employee of a third-party administrator who provides services to the multiple employer welfare arrangement or of any other person who has received compensation from the multiple employer welfare arrangement.

Art. 3.95-8. FILINGS BY MULTIPLE EMPLOYER WELFARE ARRANGEMENTS; REPORT OF CASH RESERVES; APPROVAL BY COMMISSIONER; ADDITIONAL ACTUARIAL REVIEW. (a) Each multiple employer welfare arrangement transacting business in this state shall file the following with the commissioner on forms approved by the commissioner:

(1) within 90 days of the end of the fiscal year, financial statements audited by a certified public accountant; and

(2) within 90 days of the end of the fiscal year, an actuarial opinion prepared and certified by an actuary who is not an employee of the multiple employer welfare arrangement and who is a fellow of the Society of Actuaries, a member of the American Academy of Actuaries, or an enrolled actuary under the Employee Retirement Income Security Act of 1974 (29 U.S.C. Section 1001 et seq.). The actuarial opinion shall include:

(A) a description of the actuarial soundness of the multiple employer welfare arrangement, including any recommended actions that the multiple employer welfare arrangement should take to improve its actuarial soundness;

(B) the recommended amount of cash reserves the multiple employer welfare arrangement should maintain which shall not be less than the greater of 20 percent of the total contributions in the preceding plan year or 20 percent of the total estimated contributions for the current plan year; cash reserves shall be calculated with proper actuarial regard for known claims, paid and outstanding, a history of incurred but not reported claims, claims handling expenses, unearned premium, an estimate for bad debts, a trend factor, and a margin for error; cash reserves required by this article shall be maintained in cash or federally guaranteed obligations of less than five-year maturity that have a fixed or recoverable principal amount or such other investments as the commissioner or board may authorize by rule; and

(C) the recommended level of specific and aggregate stop-loss insurance the multiple employer welfare arrangement should maintain.

(b) The commissioner shall review the forms required by Subsection (a) of this article. The commissioner shall renew a multiple employer welfare arrangement's certificate of authority unless the commissioner finds that the multiple employer welfare arrangement does not meet the requirements of this subchapter. The cash reserves required by this article shall be maintained in cash or federally guaranteed obligations of less than five-year maturity that have a fixed or recoverable principal amount or such other investments as the commissioner or board may authorize by rule.

(c) On a finding of good cause, the commissioner may order an actuarial review of a multiple employer welfare arrangement in addition to the actuarial opinion required by Subsection (a)(2) of this article. The cost of any such additional actuarial review shall be paid by the multiple employer welfare arrangement.

(d) On application of a multiple employer welfare arrangement, the commissioner may waive or reduce the requirement for aggregate stop-loss coverage and the amount of reserves required by Subsection (a)(2)(B) of this article on a determination that the interests of the participating employers and employees are adequately protected.

Art. 3.95-9. EXAMINATION OF MULTIPLE EMPLOYER WELFARE ARRANGEMENTS. *The commissioner or any person appointed by the commissioner shall have the power to examine the affairs of any multiple employer welfare arrangement and for such purposes shall have free access to all the books, records, and documents that relate to the business of the plan and may examine under oath its trustees or directors, officers, agents, and employees in relation to the affairs, transactions, and conditions of the multiple employer welfare arrangement. Expenses of examination shall be paid by each multiple employer welfare arrangement as provided in Article 1.16 of this code.*

Art. 3.95-10. DUTIES OF TRUSTEES OR DIRECTORS; COMPENSATION OF TRUSTEES, DIRECTORS, OR OFFICERS. (a) *The trustees or directors of a multiple employer welfare arrangement shall give the attention and exercise the vigilance, diligence, care, and skill that prudent persons use in like or similar circumstances. Trustees or directors shall be responsible for all operations of the multiple employer welfare arrangement and shall take all necessary precautions to safeguard the assets of the multiple employer welfare arrangement. No trustee or director shall be held liable in a private cause of action for any delinquency under this article after six years from the date of delinquency or after two years from the time when the delinquency is discovered by a person complaining of the delinquency, whichever occurs sooner.*

(b) *The board of trustees or directors shall select such officers as designated in the articles or bylaws or trust agreement and may appoint agents as deemed necessary for the transaction of the business of the multiple employer welfare arrangement. All officers and agents shall respectively have such authority and perform such duties in the management of the property and affairs of the multiple employer welfare arrangement as may be delegated by the board of trustees or directors. Any officer or agent may be removed by the board of trustees or directors whenever in their judgment the business interests of the multiple employer welfare arrangement will be served by the removal. The board of trustees or directors shall secure the fidelity of any or of all such officers or agents who handle the funds of the multiple employer welfare arrangement by bond or otherwise.*

(c) *Trustees or directors shall serve without compensation from the multiple employer welfare arrangement except for actual and necessary expenses. A multiple employer welfare arrangement shall not pay any salary, compensation, or emolument to any officer of the multiple employer welfare arrangement unless the payment is first authorized by a majority vote of the board of trustees or directors of the multiple employer welfare arrangement.*

(d) *An officer, employee, or agent of a multiple employer welfare arrangement shall not be compensated unreasonably. The compensation of any officer or employee of a multiple employer welfare arrangement shall not be calculated directly or indirectly as a percentage of money or premium collected. The compensation of any agent shall not exceed five percent of the money or premium collected.*

Art. 3.95-11. RECEIPT OF THING OF VALUE BY OFFICER, TRUSTEE, DIRECTOR, OR EMPLOYEE; PENALTY. (a) *An officer, trustee, director, or employee of a multiple employer welfare arrangement shall not knowingly and intentionally, directly or indirectly, receive any money or valuable thing for negotiating, procuring, recommending, or aiding in any purchase by or sale to the multiple employer welfare arrangement of any property or any loan from the multiple employer welfare arrangement or be pecuniarily interested either as principal, coprincipal, agent, or beneficiary in any such purchase, sale, or loan.*

(b) *A person who violates this article is guilty of an offense. An offense under this section is a felony of the third degree.*

Art. 3.95-12. WRITTEN NOTICE TO EMPLOYEES COVERED. *A multiple employer welfare arrangement, in connection with an employee welfare benefit plan, shall provide to each participating employee covered by the plan the following written notice at the time his or her coverage becomes effective:*

(1) *that individuals covered by the plan are only partially insured; and*

(2) *that in the event the plan or the multiple employer welfare arrangement does not ultimately pay medical expenses that are eligible for payment under the plan for any*

reason, the participating employer or its participating employee covered by the plan may be liable for those expenses.

Art. 3.95-13. APPLICABILITY OF OTHER STATUTES. A multiple employer welfare arrangement shall be exempt from the operation of all insurance laws of this state, except such laws as are made applicable by their specific terms or as specified in this subchapter. Multiple employer welfare arrangements shall be subject to Articles 1.04, 1.10A, 1.10B, 1.10C, 1.10D, 1.12, 1.13, 1.14, 1.14A, 1.15, 1.16, 1.19, 1.19-1, 1.24, 1.28, 1.29, 1.31, 1.35, 1.36, 3.55, 3.56, 3.56-1, 3.67, 21.21, 21.28, 21.28-A, and 21.28-E and Section 7 of Article 1.10 of this code. A multiple employer welfare arrangement will be considered an insurer for purposes of these sections only.

Art. 3.95-14. SUSPENSION, REVOCATION, OR LIMITATION OF CERTIFICATE OF AUTHORITY: OTHER REMEDIES. (a) In addition to any requirements or remedies set out in Article 3.95-13 of this code, the commissioner may suspend, revoke, or limit the certificate of authority of a multiple employer welfare arrangement if the commissioner finds, after motion and hearing, that the multiple employer welfare agreement does not meet the requirements of this subchapter.

(b) The commissioner may notify the attorney general of a violation of this subchapter, and the attorney general may apply to a district court in Travis County for leave to file suit in the nature of quo warranto or for injunctive relief or both. The attorney general may seek and the court may order restitution for victims of an act declared to be unlawful under this subchapter, a fine under this code, and recovery of reasonable attorney's fees.

Art. 3.95-15. PROCEEDINGS BEFORE THE BOARD OF INSURANCE. (a) The board may, on notice and opportunity for all interested persons to be heard, issue such rules, regulations, and orders as are reasonably necessary to augment and carry out the provisions of this subchapter.

(b) A person affected by a final ruling or action of the commissioner under this subchapter is entitled to have that ruling or action reviewed by the board by submitting an application to the board as provided by Subsection (d) of Article 1.04 of this code. Appeal of the commissioner's ruling or action to the board does not operate as a stay of the ruling or action except as otherwise ordered by the board on application by the appellant.

(c) A person affected by the board's order may appeal that order by filing suit in a district court in Travis County pursuant to Subsection (f) of Article 1.04 of this code.

SECTION 2. This Act does not exempt a multiple employer welfare arrangement from any other license requirement imposed under local, state, or federal law.

SECTION 3. (a) Except as provided by Subsection (b) of this section, this Act takes effect September 1, 1993.

(b) An entity in existence on June 1, 1993, that is required to hold a certificate of authority under this Act shall not be prosecuted for engaging in the unauthorized business of insurance if it timely files notice and applies for an initial and a final certificate of authority unless either is finally denied. If an existing multiple employer welfare arrangement timely files notice and applies for an initial and a final certificate of authority, the fact that such multiple employer welfare arrangement engaged in the business of insurance in this state prior to the effective date of this Act shall not provide a basis for denial of a certificate of authority.

SECTION 4. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

Passed by the House on May 12, 1993, by a non-record vote; the House refused to concur in Senate amendments to H.B. No. 1540 on May 27, 1993, and requested the appointment of a conference committee to consider the differences between the two houses; the House adopted the conference committee report on H.B. No. 1540 on May 30, 1993, by a non-record vote; the House adopted H.C.R. No. 188 authorizing certain corrections in H.B. No. 1540 on May 31, 1993, by a non-record vote; passed by the Senate, with amendments, on May 25, 1993, by a viva-voce vote; at the request of the House, the Senate appointed a conference committee to consider the differences between the two houses; the Senate adopted the conference committee

report on H.B. No. 1540 on May 30, 1993, by a viva-voce vote; the Senate adopted H.C.R. No. 188 authorizing certain corrections in H.B. No. 1540 on May 31, 1993.

Approved June 19, 1993.

Effective Sept. 1, 1993, and as provided in § 3.