

By: Thompson of Brazoria

H.B. No. 3250

Substitute the following for H.B. No. 3250:

By: Oliverson

C.S.H.B. No. 3250

A BILL TO BE ENTITLED

1 AN ACT

2 relating to coverage of additional living expenses under a
3 residential property insurance policy.

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

5 SECTION 1. Subchapter A, Chapter 2002, Insurance Code, is
6 amended by adding Section 2002.008 to read as follows:

7 Sec. 2002.008. ADDITIONAL LIVING EXPENSES COVERAGE.

8 (a) In this section, "residential property insurance" has the
9 meaning assigned by Section 2301.002.

10 (b) This section applies to each insurer authorized to
11 engage in the business of residential property insurance in this
12 state, including a county mutual insurance company, farm mutual
13 insurance company, Lloyd's plan, and reciprocal or interinsurance
14 exchange.

15 (c) A residential property insurance policy that includes
16 coverage for additional living expenses must cover the additional
17 living expenses incurred by an insured because the insured property
18 is uninhabitable due to a stoppage beyond the insured's control of
19 water, electricity, sewer, or natural gas services for a period of
20 at least 24 hours.

21 (d) Coverage required by this section must begin not later
22 than 24 hours after the stoppage of the water, electricity, sewer,
23 or natural gas service.

24 (e) The commissioner may adopt rules to implement this

1 section.

2 SECTION 2. Section 2002.008, Insurance Code, as added by
3 this Act, applies only to an insurance policy delivered, issued for
4 delivery, or renewed on or after January 1, 2022.

5 SECTION 3. This Act takes effect September 1, 2021.