

By: Thompson of Brazoria

H.B. No. 3250

A BILL TO BE ENTITLED

AN ACT

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

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

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

Sec. 2002.008. ADDITIONAL LIVING EXPENSES COVERAGE. (a) This section applies to each insurer authorized to engage in the business of residential property insurance in this state, including a county mutual insurance company, farm mutual insurance company, Lloyd's plan, and reciprocal or interinsurance exchange.

(b) A residential property insurance policy that includes coverage for additional living expenses must cover the additional living expenses incurred by an insured because the insured property is uninhabitable due to a stoppage of water, electricity, sewer, or natural gas services for a period of at least 24 hours.

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

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