

By: Thompson of Brazoria

H.B. No. 1234

A BILL TO BE ENTITLED

AN ACT

relating to the acknowledgment of rejection of residential property insurance coverage of cosmetic damage to a metal roof.

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

SECTION 1. Subchapter C, Chapter 2002, Insurance Code, is amended by adding Section 2002.104 to read as follows:

Sec. 2002.104. METAL ROOF COVERAGE REJECTION

ACKNOWLEDGMENT. (a) In this section:

(1) "Cosmetic metal roof coverage" means insurance coverage under a residential property insurance policy for damage to a metal roof regardless of whether the damage impedes the function of the roof.

(2) "Residential property insurance" has the meaning assigned by Section 2301.002.

(b) This section applies to each insurer that provides cosmetic metal roof coverage in this state, including a county mutual insurance company, farm mutual insurance company, Lloyd's plan, and reciprocal or interinsurance exchange.

(c) Except as provided by Subsection (d), an insurer that offers cosmetic metal roof coverage shall require an insured who rejects, declines, or refuses to accept that coverage under a residential property insurance policy issued to that insured to acknowledge in writing that the insured has rejected, declined, or refused to accept that coverage and that the insured's policy does

1 not include cosmetic metal roof coverage.

2 (d) An insurer is not required to obtain the acknowledgment
3 required by Subsection (c) from an insured on a renewal or
4 reinstatement of, or on the issuance of a supplement to, a
5 residential property insurance policy for which the insurer has
6 already obtained an acknowledgment under that subsection.

7 SECTION 2. The change in law made by this Act applies only
8 to a residential property insurance policy that is delivered,
9 issued for delivery, or renewed on or after January 1, 2024.

10 SECTION 3. This Act takes effect September 1, 2023.