

By: Thompson of Brazoria

H.B. No. 1234

Substitute the following for H.B. No. 1234:

By: Oliverson

C.S.H.B. No. 1234

A BILL TO BE ENTITLED

1 AN ACT

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

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

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

7 Sec. 2002.104. METAL ROOF COVERAGE REJECTION
8 ACKNOWLEDGMENT. (a) In this section:

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

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

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

19 (c) Except as provided by Subsection (d), an insurer that
20 offers cosmetic metal roof coverage shall require an insured who
21 rejects, declines, or refuses to accept that coverage under a
22 residential property insurance policy issued to that insured to
23 acknowledge in writing that the insured has rejected, declined, or
24 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.