

By: Middleton

S.B. No. 455

A BILL TO BE ENTITLED

AN ACT

relating to arbitration provisions in surplus lines insurance contracts.

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

SECTION 1. Section 981.101, Insurance Code, is amended by adding Subsection (d) to read as follows:

(d) A surplus lines insurance contract that contains an arbitration agreement must provide that:

(1) the arbitration will be:

(A) conducted in this state; and

(B) governed by the laws of this state; and

(2) the insurance contract will be interpreted in accordance with the laws of this state.

SECTION 2. Section 981.101(d), Insurance Code, as added by this Act, applies only to a surplus lines insurance contract delivered, issued for delivery, or renewed on or after January 1, 2026. A surplus lines insurance contract delivered, issued for delivery, or renewed before January 1, 2026, is governed by the law as it existed immediately before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION 3. This Act takes effect September 1, 2025.