

Amend CSSB 14 by adding the following new SECTIONS to the bill, numbered appropriately, and renumbering the existing SECTIONS of the bill appropriately:

SECTION _____. Subchapter E, Chapter 21, Insurance Code, is amended by adding Article 21.79H to read as follows:

Art. 21.79H. RECOVERY OF CERTAIN COSTS FROM THIRD PARTY.

(a) This article applies to any insurer who delivers, issues for delivery, or renews a private passenger automobile policy of insurance in this state, including an exchange operating under Chapter 942, or a mutual, reciprocal, association, Lloyd's plan, or other insurer.

(b) In this article, "brings an action" has the meaning described by Article 21.79G(e) of this code.

(c) An insurer that brings an action against a responsible third party or that party's insurer relating to a loss covered under a private passenger automobile insurance policy is entitled to recover, in addition to payments made by the insurer or insured, the costs of bringing the action, including reasonable attorney's fees and court costs.

SECTION _____. Article 5.06-3, Insurance Code, is amended by amending Subsection (c) and adding Subsection (i) to read as follows:

(c) The benefits required by this Act shall be payable without regard to the fault or non-fault of the named insured or the recipient in causing or contributing to the accident, and without regard to any collateral source of medical, hospital, or wage continuation benefits. Except as provided by Subsection (i) of this article, an [An] insurer paying benefits pursuant to this Act shall have no right of subrogation and no claim against any other person or insurer to recover any such benefits by reason of the alleged fault of such other person in causing or contributing to the accident.

(i) An insurer paying benefits pursuant to this Act, including a county mutual insurance company, shall have a right of subrogation and a claim against a person causing or contributing to the accident if, on the date of loss, financial responsibility as required by Chapter 601, Transportation Code, has not been

established for a motor vehicle involved in the accident and operated by that person or the motor vehicle operated by that person was insured by an insurer not authorized to engage in business in this state.

SECTION _____. Article 21.79H, Insurance Code, as added by this Act, applies only to an action commenced on or after January 1, 2004. An action commenced before that date 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 _____. The change in law made by this Act to Article 5.06-3, Insurance Code, applies only to an insurance policy delivered, issued for delivery, or renewed on or after January 1, 2004. A policy delivered, issued for delivery, or renewed before January 1, 2004, 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.