

By: Seaman

H.B. No. 101

A BILL TO BE ENTITLED

AN ACT

relating to mediation of certain claims involving unfair methods of competition or unfair or deceptive acts or practices in the business of insurance.

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

SECTION 1. Section 16A(c), Article 21.21, Insurance Code, is amended to read as follows:

(c) A ~~[If a mediation under Section 16B of this article is conducted, a]~~ person against whom a claim under Section 16 of this article is pending may tender an offer of settlement during the period beginning on the day after the date that the mediation under Section 16B of this article ends and ending on the 20th day after that date.

SECTION 2. Sections 16B(a), (b), and (d), Article 21.21, Insurance Code, are amended to read as follows:

(a) Not ~~[A party may, not]~~ later than the 30th ~~[90th]~~ day after the date of service of a pleading in which relief under Section 16 of this article is sought, the court shall order ~~[file a motion to compel]~~ mediation of the dispute in the manner provided by this section.

(b) The ~~[court shall, not later than the 30th day after the date a motion under this section is filed, sign an]~~ order must set ~~[setting]~~ the time and place of the mediation.

(d) Mediation shall be held within 90 ~~[30]~~ days after the

1 date the order is signed[~~, unless the parties agree otherwise or the~~
2 ~~court determines that additional time, not to exceed an additional~~
3 ~~30 days, is warranted]~~.

4 SECTION 3. Section 16A(b), Article 21.21, Insurance Code,
5 is repealed.

6 SECTION 4. This Act takes effect September 1, 2003, and
7 applies only to a claim under Section 16, Article 21.21, Insurance
8 Code, for which the first date of service of a pleading, as
9 described by Section 16B(a), Article 21.21, Insurance Code, as
10 amended by this Act, is on or after that date. A claim for which the
11 date of the service of that pleading is before September 1, 2003, is
12 governed by the law applicable to the claim immediately before the
13 effective date of this Act, and that law is continued in effect for
14 that purpose.