

By: Van de Putte

S.B. No. 115

A BILL TO BE ENTITLED

AN ACT

1
2 relating to notice of certain changes in residential property
3 insurance coverage on renewal.

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

5 SECTION 1. Subchapter C, Chapter 5, Insurance Code, is
6 amended to add Article 5.45 to read as follows:

7 Art. 5.45. NOTICE ON RENEWAL OF CERTAIN POLICIES. (a) An
8 insurer, including a farm mutual insurance company, a county mutual
9 insurance company, Lloyd's plan, or reciprocal or interinsurance
10 exchange, that renews a policy of homeowners insurance, fire and
11 residential allied lines insurance, farm and ranch owners
12 insurance, or farm and ranch insurance must provide the policy
13 holder with written notice of any difference in each form of the
14 policy offered to the policy holder on renewal and the form of the
15 policy held immediately before renewal.

16 (b) A notice provided under this article must be written in
17 plain language.

18 (c) The commissioner may adopt rules as necessary to
19 implement this article.

20 SECTION 2. This Act applies only to an insurance policy
21 renewed on or after the 30th day after the effective date of this
22 Act.

23 SECTION 3. This Act takes effect immediately if it receives
24 a vote of two-thirds of all the members elected to each house, as

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1 provided by Section 39, Article III, Texas Constitution. If this
2 Act does not receive the vote necessary for immediate effect, this
3 Act takes effect September 1, 2003.