

1-1 By: Van de Putte S.B. No. 115  
1-2 (In the Senate - Filed November 14, 2002; January 29, 2003,  
1-3 read first time and referred to Committee on Business and Commerce;  
1-4 March 19, 2003, reported favorably by the following vote: Yeas 9,  
1-5 Nays 0; March 19, 2003, sent to printer.)

1-6 A BILL TO BE ENTITLED  
1-7 AN ACT

1-8 relating to notice of certain changes in residential and farm and  
1-9 ranch property insurance coverage on renewal.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Subchapter C, Chapter 5, Insurance Code, is  
1-12 amended by adding Article 5.45 to read as follows:

1-13 Art. 5.45. NOTICE ON RENEWAL OF CERTAIN POLICIES. (a) An  
1-14 insurer, including a farm mutual insurance company, county mutual  
1-15 insurance company, Lloyd's plan, or reciprocal or interinsurance  
1-16 exchange, that renews a policy of homeowners insurance, fire and  
1-17 residential allied lines insurance, farm and ranch owners  
1-18 insurance, or farm and ranch insurance must provide the policy  
1-19 holder with written notice of any difference in each form of the  
1-20 policy offered to the policy holder on renewal and the form of the  
1-21 policy held immediately before renewal.

1-22 (b) A notice provided under this article must be written in  
1-23 plain language.

1-24 (c) The commissioner may adopt rules as necessary to  
1-25 implement this article.

1-26 SECTION 2. This Act applies only to an insurance policy  
1-27 renewed on or after the 30th day after the effective date of this  
1-28 Act.

1-29 SECTION 3. This Act takes effect immediately if it receives  
1-30 a vote of two-thirds of all the members elected to each house, as  
1-31 provided by Section 39, Article III, Texas Constitution. If this  
1-32 Act does not receive the vote necessary for immediate effect, this  
1-33 Act takes effect September 1, 2003.

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