

By: Averitt

S.B. No. 1328

A BILL TO BE ENTITLED

AN ACT

relating to insurance requirements for commercial motor vehicles.

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

SECTION 1. Section 643.101, Transportation Code, is amended by adding Subsection (d) to read as follows:

(d) Any insurance required for a commercial motor vehicle must be obtained from a reliable insurance company authorized to do business in this state unless state law permits the vehicle to be self-insured. An insurance company is deemed reliable under this subsection if it has 100 percent reinsurance for the portion of insurance required for a commercial motor vehicle in excess of 10 percent of the insurance company's capital and surplus and if credit is allowed for such reinsurance under Article 5.75-1, Insurance Code.

SECTION 2. This Act takes effect September 1, 2003.