

1-1 By: Naishtat, Madden, Seaman H.B. No. 1328
1-2 (Senate Sponsor - Fraser)
1-3 (In the Senate - Received from the House April 7, 2005;
1-4 April 11, 2005, read first time and referred to Committee on
1-5 Business and Commerce; May 2, 2005, reported favorably by the
1-6 following vote: Yeas 9, Nays 0; May 2, 2005, sent to printer.)

1-7 A BILL TO BE ENTITLED
1-8 AN ACT

1-9 relating to certificates of mold remediation.

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

1-11 SECTION 1. Section 3, Article 21.21-11, Insurance Code, is
1-12 amended to read as follows:

1-13 Sec. 3. PROHIBITION. An insurer may not make an
1-14 underwriting decision regarding a residential property insurance
1-15 policy based on previous mold damage or a claim for mold damage if:

1-16 (1) the applicant for insurance coverage has property
1-17 eligible for coverage under a residential property policy;

1-18 (2) the property has had mold damage;

1-19 (3) mold remediation has been performed on the
1-20 property; and

1-21 (4) the property was:

1-22 (A) remediated, as evidenced by a certificate of
1-23 mold remediation issued to the property owner under Section
1-24 1958.154, Occupations Code, that establishes with reasonable
1-25 certainty that the underlying cause of the mold at the property has
1-26 been remediated; or

1-27 (B) inspected by an independent assessor or
1-28 adjustor who determined, based on the inspection, that the property
1-29 does not contain evidence of mold damage.

1-30 SECTION 2. Section 1958.154(b), Occupations Code, is
1-31 amended to read as follows:

1-32 (b) If a property owner sells property, the property owner
1-33 shall provide to the buyer a copy of each certificate [~~that has~~
1-34 ~~been~~] issued for the property under this section during the five
1-35 years preceding the date the property owner sells the property.

1-36 SECTION 3. This Act takes effect immediately if it receives
1-37 a vote of two-thirds of all the members elected to each house, as
1-38 provided by Section 39, Article III, Texas Constitution. If this
1-39 Act does not receive the vote necessary for immediate effect, this
1-40 Act takes effect September 1, 2005.

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