

By: Leibowitz

H.B. No. 1461

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to notice to consumers regarding personal injury insurance  
3 protection offered in connection with personal automobile  
4 insurance.

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

6 SECTION 1. Subchapter A, Chapter 5, Insurance Code, is  
7 amended by adding Article 5.06-3A to read as follows:

8 Art. 5.06-3A. NOTICE OF AVAILABILITY OF PERSONAL INJURY  
9 PROTECTION COVERAGE. (a) This article applies to any insurer that  
10 issues a personal automobile insurance policy, including a county  
11 mutual insurance company, a Lloyd's plan, and a reciprocal or  
12 interinsurance exchange.

13 (b) An insurer must provide to each applicant for personal  
14 automobile insurance, as part of the application for coverage,  
15 notice regarding the availability of personal injury protection  
16 coverage. In addition to signing the application, the applicant  
17 must sign the notice.

18 (c) The commissioner by rule shall prescribe the form and  
19 contents of the required notice. The notice must:

20 (1) notify the applicant that the applicant may  
21 purchase personal injury protection coverage;

22 (2) provide a clear explanation of the coverage; and

23 (3) except as provided by Subsection (d), list and  
24 specify the cost of each \$2,500 increment of coverage up to \$10,000

1 and each \$5,000 increment of coverage in excess of \$10,000 up to  
2 \$100,000 or the maximum amount of personal injury protection  
3 coverage available from the insurer.

4 (d) If the insurer does not offer coverage in the increments  
5 specified in Subsection (c)(3), the insurer may list and specify  
6 the cost of each increment of coverage that the insurer offers.

7 SECTION 2. The change in law made by this Act applies to an  
8 application for personal automobile insurance submitted to an  
9 insurer on or after January 1, 2006. An application for personal  
10 automobile insurance submitted before January 1, 2006, is governed  
11 by the law in effect immediately before that date, and that law is  
12 continued in effect for that purpose.

13 SECTION 3. This Act takes effect September 1, 2005.