

BILL ANALYSIS

H.B. 2552
By: Herrero
Insurance
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Currently, when consumers who live along the Texas coast go to home supply stores to buy replacement windows, shutters, garage doors, and roofing materials, they are unaware of the specific requirements for these items. Due to their location on the coast in first tier counties, there are certain building code requirements that must be met to ensure these replacement items meet current windstorm inspection code. If the code is not met, an insurance surcharge will be placed on the consumer's Texas Windstorm Insurance Association policy. By being informed about the items that meet code, a consumer may be able to make better choices and avoid an insurance surcharge.

H.B. 2552 requires the Texas Department of Insurance to develop a notice to be posted in all building supply stores located in first tier counties to educate consumers on the specific building requirements and inspection standards for coverage through the Texas Windstorm Insurance Association.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Department of Insurance in SECTIONS 1 and 2 of this bill.

ANALYSIS

H.B. 2552 amends the Insurance Code to require the Texas Department of Insurance by rule to develop a public notice form to be posted in all building supply stores in first tier coastal counties in order to educate consumers on specific building requirements and inspection standards for coverage through the Texas Windstorm Insurance Association.

EFFECTIVE DATE

September 1, 2009.