

By: Orr

H.B. No. 352

A BILL TO BE ENTITLED

AN ACT

1
2 relating to coverage of mineral interests in title insurance
3 policies, commitments, binders, and endorsements.

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

5 SECTION 1. Subchapter A, Chapter 2551, Insurance Code, is
6 amended by adding Section 2551.004 to read as follows:

7 Sec. 2551.004. MINERAL INTERESTS. The commissioner shall
8 adopt and enforce rules that prohibit the exception or exclusion of
9 mineral interests from coverage under a title insurance policy,
10 commitment, binder, or endorsement. This prohibition also applies
11 to a renewal and extension of a commitment or binder.

12 SECTION 2. Section 2551.004, Insurance Code, as added by
13 this Act, applies only to a title insurance policy, commitment,
14 binder, or endorsement delivered, issued for delivery, or renewed
15 on or after January 1, 2010. A policy, commitment, binder, or
16 endorsement delivered, issued for delivery, or renewed before
17 January 1, 2010, is governed by the law as it existed immediately
18 before the effective date of this Act, and that law is continued in
19 effect for that purpose.

20 SECTION 3. This Act takes effect September 1, 2009.