

By: Vo

H.B. No. 1095

A BILL TO BE ENTITLED

AN ACT

relating to regulation of residential property insurance;
providing penalties.

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

SECTION 1. Subtitle A, Title 2, Insurance Code, is amended
by adding Chapter 41 to read as follows:

CHAPTER 41. INFORMATION CONCERNING RATES FOR CERTAIN RESIDENTIAL
PROPERTY INSURANCE; INTERNET WEBSITE

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 41.001. DEFINITIONS. In this chapter:

(1) "Insurer" means an insurance company, reciprocal
or interinsurance exchange, mutual insurance company, capital
stock company, county mutual insurance company, Lloyd's plan, or
other legal entity writing residential property insurance in this
state. The term includes:

(A) the Texas Windstorm Insurance Association
under Chapter 2210; or

(B) the FAIR Plan Association under Chapter 2211.

(2) "Residential property insurance" means insurance
coverage against loss to real or tangible personal property at a
fixed location that is provided through:

(A) a homeowners policy, including a tenants
policy;

(B) a condominium owners policy; or

1 (C) a residential fire and allied lines policy.

2 Sec. 41.002. RULES. The commissioner may adopt rules
3 necessary to implement this chapter.

4 [Sections 41.003-41.050 reserved for expansion]

5 SUBCHAPTER B. RATES FOR RESIDENTIAL PROPERTY INSURANCE

6 Sec. 41.051. RATES. (a) The department shall include on
7 the main page of the department's Internet website and other
8 appropriate pages, as determined by the department, sample base
9 rates for each insurer for residential property insurance.

10 (b) The commissioner by rule shall determine the frequency
11 with which the sample base rates described by Subsection (a) must be
12 updated.

13 Sec. 41.052. ADDITIONAL INFORMATION. On each page on which
14 the rate information described by Section 41.051 is displayed, in a
15 location near the information, the department shall include a link
16 to additional information explaining the rate information,
17 including:

18 (1) a general explanation of how insurance premiums
19 applicable to an individual insured are determined and that the
20 premium amount charged may vary from the base rate displayed; and

21 (2) contact information, for each insurer whose rates
22 for residential property insurance are displayed on the Internet
23 website.

24 SECTION 2. The Texas Department of Insurance shall
25 implement Chapter 41, Insurance Code, as added by this Act, not
26 later than January 1, 2010.

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