

By: Naishtat

H.B. No. 2825

A BILL TO BE ENTITLED

AN ACT

relating to the disclosure of a lack of professional liability insurance coverage by certain attorneys.

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

SECTION 1. Subchapter H, Chapter 81, Government Code, is amended by adding Section 81.117 to read as follows:

Sec. 81.117. DISCLOSURE OF LACK OF PROFESSIONAL LIABILITY INSURANCE. (a) The supreme court shall promulgate rules that require an attorney engaged in the practice of law in this state who is not covered by professional liability insurance covering claims arising from providing or failing to provide legal services to:

(1) display in a prominent location in the attorney's place of business a notice stating that the attorney is not covered by professional liability insurance; or

(2) provide notice of that information in another manner to the attorney's clients and prospective clients.

(b) In promulgating rules under this section, the supreme court shall:

(1) specify the form and content of the notice described by Subsection (a); and

(2) provide for enforcement of the rules promulgated under this section, including providing that a person may file a grievance, and the state bar may take disciplinary action for a violation, in the same manner that a grievance is filed and the

1 state bar takes disciplinary action for conduct that constitutes  
2 professional misconduct under the Texas Disciplinary Rules of  
3 Professional Conduct.

4 SECTION 2. The Texas Supreme Court shall adopt rules as  
5 required by Section 81.117, Government Code, as added by this Act,  
6 not later than December 1, 2009.

7 SECTION 3. This Act takes effect immediately if it receives  
8 a vote of two-thirds of all the members elected to each house, as  
9 provided by Section 39, Article III, Texas Constitution. If this  
10 Act does not receive the vote necessary for immediate effect, this  
11 Act takes effect September 1, 2009.