

By: Paxton

H.B. No. 2907

A BILL TO BE ENTITLED

AN ACT

relating to the potential effect of certain convictions on automobile insurance rates.

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

SECTION 1. Section 1953.051, Insurance Code, as effective April 1, 2009, is amended to read as follows:

Sec. 1953.051. CERTAIN RATING PLANS PROHIBITED. (a) A rating plan regarding the writing of automobile insurance, other than insurance written under Chapter 2151, may ~~not~~:

(1) assign a rate consequence to a ~~[charge or]~~ conviction for a violation of Subtitle C, Title 7, Transportation Code; or

(2) ~~[otherwise]~~ cause premiums for automobile insurance to be increased because of a ~~[charge or]~~ conviction described by Subdivision (1).

(b) The application of Subsection (a) may not result in an adverse rate consequence being assigned to or otherwise cause premiums for automobile insurance to be increased for an insured who does not have a conviction for a violation of Subtitle C, Title 7, Transportation Code.

SECTION 2. The change in law made by this Act applies only to an automobile insurance policy that is delivered, issued for delivery, or renewed on or after the effective date of this Act. An automobile insurance policy that is delivered, issued for delivery,

1 or renewed before the effective date of this Act is covered by the  
2 law in effect at the time the policy was delivered, issued for  
3 delivery, or renewed, and that law is continued in effect for that  
4 purpose.

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