

By: Smithee

H.B. No. 4242

A BILL TO BE ENTITLED

AN ACT

1
2 relating to notice of acceptance or rejection of an insurance
3 claim.

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

5 SECTION 1. Section 542.056, Insurance Code, is amended by
6 adding Subsection (e) to read as follows:

7 (e) If an insurer pays a claim not later than the 15th
8 business day after the date the insurer receives all items,
9 statements, and forms required by the insurer to secure final proof
10 of loss, or not later than the 30th day if the insurer has a
11 reasonable basis to believe that the loss that is the subject of the
12 claim resulted from arson, the payment of the claim constitutes
13 notice of acceptance and the insurer is not required to provide any
14 other notice under this section.

15 SECTION 2. The change in law made by this Act applies to a
16 claim filed on or after the effective date of this Act. A claim
17 filed before the effective date of this Act is governed by the law
18 as it existed immediately before that date, and that law is
19 continued in effect for that purpose.

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