

By: Hancock

H.B. No. 4443

A BILL TO BE ENTITLED

1 AN ACT

2 relating to notice to an insurer of an adverse claim to policy
3 proceeds by a person with a bona fide legal claim.

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

5 SECTION 1. Section 542.058(b), Insurance Code, is amended
6 to read as follows:

7 (b) This section does not apply:

8 (1) in a case in which it is found as a result of
9 arbitration or litigation that a claim received by an insurer is
10 invalid and should not be paid by the insurer; or

11 (2) if the insurer is on notice of an adverse claim to
12 the policy proceeds from a person who has a bona fide legal claim to
13 all or part of the proceeds.

14 SECTION 2. The change in law made by this Act applies only
15 to a claim filed with an insurer on or after the effective date of
16 this Act. A claim filed with an insurer before that date is
17 governed by the law in effect on the date that the claim was filed,
18 and the former law is continued in effect for that purpose.

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