

By: Naishtat

H.B. No. 4563

A BILL TO BE ENTITLED

AN ACT

relating to use of certain factors in underwriting and rating a personal automobile insurance policy.

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

SECTION 1. Chapter 1951, Insurance Code, is amended by adding Section 1951.005 to read as follows:

Sec. 1951.005. CERTAIN FACTORS IN UNDERWRITING AND RATING PROHIBITED. An insurer may not use the occupation or educational level of a person insured under a personal automobile insurance policy, or an applicant for coverage under a personal automobile insurance policy, as a factor in underwriting or rating that coverage.

SECTION 2. Section 38.002, Insurance Code, is amended by adding Subsection (g) to read as follows:

(g) An underwriting guideline used by an insurer or its agent in relation to a personal automobile insurance policy must comply with Section 1951.005.

SECTION 3. Section 2251.052, Insurance Code, is amended by adding Subsection (f) to read as follows:

(f) Rates and rating applicable to a personal automobile insurance policy must comply with Section 1951.005.

SECTION 4. This Act applies only to an insurance policy that is delivered, issued for delivery, or renewed on or after January 1, 2010. A policy that is delivered, issued for delivery, or renewed

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1 before January 1, 2010, is governed by the law as it existed
2 immediately before the effective date of this Act, and that law is
3 continued in effect for this purpose.

4 SECTION 5. This Act takes effect September 1, 2009.