

1-1 By: Hegar S.B. No. 1335  
1-2 (In the Senate - Filed March 4, 2009; March 17, 2009, read  
1-3 first time and referred to Committee on Business and Commerce;  
1-4 April 17, 2009, reported adversely, with favorable Committee  
1-5 Substitute by the following vote: Yeas 6, Nays 0; April 17, 2009,  
1-6 sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.B. No. 1335 By: Watson, Jackson

1-8 A BILL TO BE ENTITLED  
1-9 AN ACT

1-10 relating to notice of acceptance or rejection of an insurance  
1-11 claim.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Section 542.056, Insurance Code, is amended by  
1-14 adding Subsections (e), (f), and (g) to read as follows:

1-15 (e) If an insurer pays a claim not later than the 15th  
1-16 business day after the date the insurer receives all items,  
1-17 statements, and forms required by the insurer to secure final proof  
1-18 of loss, or not later than the 30th day if the insurer has a  
1-19 reasonable basis to believe that the loss that is the subject of the  
1-20 claim resulted from arson, the payment of the claim constitutes  
1-21 notice of acceptance and, notwithstanding Subsection (a), the  
1-22 insurer is not required to provide any other notice under this  
1-23 section.

1-24 (f) If an insurer makes a partial payment under this section  
1-25 or rejects any portion of a claim, the insurer shall include a  
1-26 written notice with the partial payment that states the reason for  
1-27 the rejection.

1-28 (g) For purposes of Subsections (e) and (f), payment  
1-29 includes an electronic funds transfer to an account identified by  
1-30 the claimant.

1-31 SECTION 2. The change in law made by this Act applies to a  
1-32 claim filed on or after the effective date of this Act. A claim  
1-33 filed before the effective date of this Act is governed by the law  
1-34 as it existed immediately before that date, and that law is  
1-35 continued in effect for that purpose.

1-36 SECTION 3. This Act takes effect September 1, 2009.

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