

1-1 By: Van de Putte S.B. No. 1843
1-2 (In the Senate - Filed March 11, 2009; March 20, 2009, read
1-3 first time and referred to Committee on Business and Commerce;
1-4 April 9, 2009, reported favorably by the following vote: Yeas 9,
1-5 Nays 0; April 9, 2009, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to coverage of drivers under a personal automobile
1-9 insurance policy.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Subchapter B, Chapter 1952, Insurance Code, is
1-12 amended by adding Section 1952.059 to read as follows:

1-13 Sec. 1952.059. REQUIRED PROVISION: COVERAGE FOR UNNAMED
1-14 DRIVERS. (a) A personal automobile insurance policy that covers
1-15 liability arising out of ownership, maintenance, or use of a motor
1-16 vehicle by a named insured must contain a provision to extend
1-17 liability coverage to each driver who has a reasonable belief that
1-18 the driver is entitled to use the covered motor vehicle.

1-19 (b) This section does not prohibit the named insured from
1-20 excluding specific persons from coverage under the policy. An
1-21 exclusion under this section must be in writing and must:

1-22 (1) include the name of the person excluded from
1-23 coverage;

1-24 (2) be signed by the named insured; and

1-25 (3) be attached to the policy.

1-26 SECTION 2. The change in law made by this Act applies only
1-27 to an insurance policy delivered, issued for delivery, or renewed
1-28 on or after January 1, 2010. A policy delivered, issued for
1-29 delivery, or renewed before January 1, 2010, is governed by the law
1-30 in effect immediately before the effective date of this Act, and
1-31 that law is continued in effect for that purpose.

1-32 SECTION 3. This Act takes effect September 1, 2009.

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