

Amend **HB 1951** (house committee printing) by adding the following appropriately numbered ARTICLE to the bill and renumbering existing ARTICLES of the bill accordingly:

ARTICLE __. APPRAISALS UNDER PROPERTY INSURANCE POLICIES

SECTION __.001. Subchapter B, Chapter 542, Insurance Code, is amended by adding Section 542.063 to read as follows:

Sec. 542.063. APPRAISALS. (a) A request for appraisal with respect to a claim under a property insurance policy must be made not later than the 60th day after the date the person requesting the appraisal first receives notice of a dispute as to the amount of insurance proceeds paid, estimated, or to be paid by the insurer for the claim. The failure to invoke an appraisal provision in a property insurance policy in the time required by this subsection constitutes a waiver of the provision as a matter of law.

(b) A decision resulting from the appraisal process under a property insurance policy is binding only as to the amount of loss. An appraisal may not be used to determine liability issues such as coverage, causation, extent of damage, or conditions or limits imposed by the policy. The appraisal decision does not affect any other remedy available at law.

(c) An appraisal under a property insurance policy is available only if the insurer and the insured agree, by stipulation or otherwise, on liability, coverage, causation, extent of damage, and conditions or limits imposed by the policy.

SECTION __.002. The heading to Subchapter B, Chapter 542, Insurance Code, is amended to read as follows:

SUBCHAPTER B. PROMPT PAYMENT OF CLAIMS; APPRAISALS

SECTION __.003. Section 542.063, Insurance Code, as added by this article, applies only to a dispute that arises on or after the effective date of this Act. A dispute that arises before the effective date of this Act is governed by the law in effect immediately before the effective date of this Act, and that law is continued in effect for that purpose.