

By: Sheets

H.B. No. 2655

A BILL TO BE ENTITLED

1 AN ACT
2 relating to notice of coverage reduction on renewal of a
3 property/casualty insurance policy.

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

5 SECTION 1. Title 10, Chapter 10, Subtitle D, Section
6 2002.001 is amended to read as follows:

7 Subchapter A. Policy Provisions

8 Section 2002.001. Endorsements reducing amount of coverage
9 An insurer may not use an endorsement to a policy form to which
10 Article 5.35, Subchapter B, Chapter 2301, applies that reduces ~~the~~
11 ~~amount of~~ coverage that would otherwise be provided under the
12 policy unless:

- 13 (1) the insured requests the endorsement; or
14 (2) the insurer provides the policyholder with a written
15 explanation of the changes made by the endorsement not later than
16 the 30th day before the date on which the policy expires. ~~effective~~
17 ~~date of the change~~

18 SECTION 2. Chapter 551, Section 105 is amended to read as
19 follows:

20 Section 551.105. Nonrenewal of policies; notice required
21 Unless the insurer has mailed written notice of nonrenewal or
22 renewal with notice of change in coverage to the insured not later
23 than the 30th day before the date on which the insurance policy
24 expires, an insurer must renew an insurance policy, at the request

1 of the insured, on the expiration of the policy.

2 SECTION 3. This act takes effect September 1, 2011.