

By: Hancock

H.B. No. 3589

A BILL TO BE ENTITLED

AN ACT

1
2 relating to claim-handling deadlines in the event of certain
3 weather-related catastrophes or natural disasters.

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

5 SECTION 1. Section 542.059, Insurance Code, is amended by
6 amending Subsection (b) and adding Subsections (c), (d), and (e) to
7 read as follows:

8 (b) In the event of a weather-related catastrophe or major
9 natural disaster in which the commissioner estimates the amount of
10 losses will total at least \$5 million and the number of claims will
11 total at least 3,000 in the aggregate for all insurers ~~[as defined~~
12 ~~by the commissioner]~~, the claim-handling deadlines imposed under
13 this subchapter are extended for an additional 15 days.

14 (c) The department shall issue a bulletin to notify insurers
15 of an extension under Subsection (b) not later than the fifth day
16 after the date the weather-related catastrophe or major natural
17 disaster occurs. The department may request information from an
18 insurer about the insurer's estimated amount of losses or total
19 number of claims. Information that an insurer voluntarily provides
20 to the department under this section is confidential and not
21 subject to disclosure under Chapter 552, Government Code.

22 (d) In the event that the governor issues a disaster
23 declaration under Section 418.014, Government Code, a
24 claim-handling deadline under this subchapter is extended for an

1 additional 15 days for a county specified in the declaration. The
2 department shall issue a bulletin to notify insurers of an
3 extension under this subsection.

4 (e) If both Subsections (b) and (d) apply, the
5 claim-handling deadlines imposed under this subchapter are
6 extended for a total of 30 days.

7 SECTION 2. This Act takes effect September 1, 2011.