

1-1 By: Jackson S.B. No. 503  
1-2 (In the Senate - Filed February 2, 2011; February 17, 2011,  
1-3 read first time and referred to Committee on Business and Commerce;  
1-4 March 2, 2011, reported favorably by the following vote: Yeas 7,  
1-5 Nays 0; March 2, 2011, sent to printer.)

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

1-8 relating to coverage for certain towing and storage expenses under  
1-9 a motor vehicle insurance policy.

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

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

1-13 SUBCHAPTER H. COVERAGE FOR CERTAIN TOWING AND STORAGE CHARGES

1-14 Sec. 1952.351. APPLICABILITY OF SUBCHAPTER. This  
1-15 subchapter applies to any insurer writing automobile insurance in  
1-16 this state, including a capital stock insurance company, a  
1-17 reciprocal or interinsurance exchange, a mutual insurance company,  
1-18 including a county mutual insurance company, a Lloyd's plan, or  
1-19 another legal entity engaged in the business of automobile  
1-20 insurance in this state. The term includes:

1-21 (1) an affiliate as described by Section 823.003(a) if  
1-22 that affiliate is authorized to write and is writing automobile  
1-23 insurance in this state; and

1-24 (2) the Texas Automobile Insurance Plan Association  
1-25 under Chapter 2151.

1-26 Sec. 1952.352. COVERAGE FOR TOWING AND STORAGE CHARGES. An  
1-27 insurer subject to this subchapter that delivers, issues for  
1-28 delivery, or renews an automobile liability insurance policy in  
1-29 this state that covers liability arising out of the ownership,  
1-30 maintenance, or use of a motor vehicle shall include coverage for  
1-31 reasonable towing expenses and related storage charges assessed in  
1-32 relation to a vehicle involved in a motor vehicle accident for which  
1-33 an insured under the policy is liable.

1-34 SECTION 2. This Act applies only to an automobile liability  
1-35 insurance policy that is delivered, issued for delivery, or renewed  
1-36 on or after January 1, 2012. A policy delivered, issued for  
1-37 delivery, or renewed before January 1, 2012, is governed by the law  
1-38 as it existed immediately before the effective date of this Act, and  
1-39 that law is continued in effect for that purpose.

1-40 SECTION 3. This Act takes effect September 1, 2011.

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