

1-1 By: Hegar S.B. No. 1054  
1-2 (In the Senate - Filed March 2, 2011; March 16, 2011, read  
1-3 first time and referred to Committee on Business and Commerce;  
1-4 April 13, 2011, reported favorably by the following vote: Yeas 9,  
1-5 Nays 0; April 13, 2011, sent to printer.)

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

1-8 relating to notice of acceptance or rejection of an insurance  
1-9 claim.

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

1-11 SECTION 1. Section 542.056, Insurance Code, is amended by  
1-12 adding Subsections (e), (f), and (g) to read as follows:

1-13 (e) If an insurer pays a claim not later than the 15th  
1-14 business day after the date the insurer receives all items,  
1-15 statements, and forms required by the insurer to secure final proof  
1-16 of loss, or not later than the 30th day if the insurer has a  
1-17 reasonable basis to believe that the loss that is the subject of the  
1-18 claim resulted from arson, the payment of the claim constitutes  
1-19 notice of acceptance of the claim and, notwithstanding Subsection  
1-20 (a), the insurer is not required to provide any other notice under  
1-21 this section.

1-22 (f) If an insurer makes a partial payment on a claim under  
1-23 this section or rejects any portion of a claim, the insurer shall  
1-24 include a written notice with the partial payment that states the  
1-25 reason for the rejection.

1-26 (g) For purposes of Subsections (e) and (f), payment  
1-27 includes an electronic funds transfer to an account identified by  
1-28 the claimant.

1-29 SECTION 2. The change in law made by this Act applies only  
1-30 to a claim filed on or after the effective date of this Act. A claim  
1-31 filed before the effective date of this Act is governed by the law  
1-32 as it existed immediately before that date, and that law is  
1-33 continued in effect for that purpose.

1-34 SECTION 3. This Act takes effect September 1, 2011.

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