

1-1 By: Smithee, Thompson of Harris H.B. No. 949
 1-2 Alonzo (Senate Sponsor - Watson)
 1-3 (In the Senate - Received from the House April 15, 2013;
 1-4 April 17, 2013, read first time and referred to Committee on
 1-5 Business and Commerce; May 2, 2013, reported adversely, with
 1-6 favorable Committee Substitute by the following vote: Yeas 6, Nays
 1-7 0; May 2, 2013, sent to printer.)

1-8 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-9				
1-10	X			
1-11			X	
1-12			X	
1-13	X			
1-14			X	
1-15	X			
1-16	X			
1-17	X			
1-18	X			

1-19 COMMITTEE SUBSTITUTE FOR H.B. No. 949 By: Watson

1-20 A BILL TO BE ENTITLED
 1-21 AN ACT

1-22 relating to continuation of automobile insurance coverage for
 1-23 certain motor vehicles acquired during a personal automobile
 1-24 insurance policy term.

1-25 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-26 SECTION 1. Section 1952.001, Insurance Code, is amended to
 1-27 read as follows:

1-28 Sec. 1952.001. APPLICABILITY OF CHAPTER. Except as
 1-29 otherwise provided by this chapter [~~Section 1952.201~~], this chapter
 1-30 applies to an insurer writing automobile insurance in this state,
 1-31 including an insurance company, corporation, reciprocal or
 1-32 interinsurance exchange, mutual insurance company, association,
 1-33 Lloyd's plan, or other insurer.

1-34 SECTION 2. Subchapter B, Chapter 1952, Insurance Code, is
 1-35 amended by adding Section 1952.059 to read as follows:

1-36 Sec. 1952.059. REQUIRED PROVISION: COVERAGE FOR CERTAIN
 1-37 VEHICLES ACQUIRED DURING POLICY TERM. (a) This section applies to
 1-38 an insurer authorized to write automobile insurance in this state,
 1-39 including an insurance company, reciprocal or interinsurance
 1-40 exchange, mutual insurance company, capital stock company, county
 1-41 mutual insurance company, Lloyd's plan, or other entity.

1-42 (b) A personal automobile insurance policy must contain a
 1-43 provision defining a covered vehicle in accordance with this
 1-44 section for a motor vehicle acquired by the insured during the
 1-45 policy term.

1-46 (c) Coverage under this section is required only for a
 1-47 vehicle that is:

1-48 (1) a private passenger automobile; or

1-49 (2) a pickup, utility vehicle, or van with a gross
 1-50 vehicle weight of 30,000 pounds or less that is not used for the
 1-51 delivery or transportation of goods, materials, or supplies, other
 1-52 than samples, unless:

1-53 (A) the delivery of the goods, materials, or
 1-54 supplies is not the primary use for which the vehicle is employed;
 1-55 or

1-56 (B) the vehicle is used for farming or ranching.

1-57 (d) Coverage under this section is required only for a
 1-58 vehicle that is acquired during the policy term and of which the
 1-59 insurer is notified on or before:

1-60 (1) the 20th day after the date on which the insured

2-1 becomes the owner of the vehicle; or

2-2 (2) a later date specified by the policy.

2-3 (e) Coverage under this section for a vehicle that replaces
2-4 a covered vehicle shown in the declarations for the policy must be
2-5 the same as the coverage for the vehicle being replaced. An insured
2-6 must notify the insurer of a replacement vehicle during the time
2-7 prescribed by Subsection (d) only if the insured wishes to:

2-8 (1) add coverage for damage to the vehicle; or

2-9 (2) continue existing coverage for damage to the
2-10 vehicle after the period prescribed by Subsection (d) expires.

2-11 (f) Coverage under this section for a vehicle that is
2-12 acquired during the policy term in addition to the covered vehicles
2-13 shown in the declarations for the policy and of which the insurer is
2-14 notified as prescribed by Subsection (d) must be the broadest
2-15 coverage provided under the policy for any covered vehicle shown in
2-16 the declarations.

2-17 SECTION 3. The change in law made by this Act applies only
2-18 to an insurance policy delivered, issued for delivery, or renewed
2-19 on or after January 1, 2014. An insurance policy delivered, issued
2-20 for delivery, or renewed before January 1, 2014, is governed by the
2-21 law in effect immediately before the effective date of this Act, and
2-22 that law is continued in effect for that purpose.

2-23 SECTION 4. This Act takes effect September 1, 2013.

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