

By: Smithee

H.B. No. 1401

A BILL TO BE ENTITLED

AN ACT

relating to extending claim-handling deadlines after certain emergency declarations.

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

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

(b) Claim-handling [~~In the event of a weather-related catastrophe or major natural disaster, as defined by the commissioner, the claim-handling~~] deadlines imposed under this subchapter are extended for an additional 15 days on the date that:

(1) the governor declares a state of natural disaster under Section 418.014, Government Code; or

(2) if the governor does not declare a state of natural disaster under Section 418.014, Government Code, the commissioner declares a weather-related catastrophe under Subsection (c).

(c) The commissioner shall declare a weather-related catastrophe if the commissioner determines that, for all insurers writing insurance in an area designated by the commissioner and defined by reasonable boundaries, as of the date of the declaration a weather-related event resulted in, or may reasonably be expected to result in:

(1) \$50 million or more in aggregate insured losses;

or

1 (2) 3,000 or more claims.

2 SECTION 2. This Act takes effect September 1, 2013.