

By: Smithee

H.B. No. 1402

A BILL TO BE ENTITLED

AN ACT

relating to certain rebates and incentives for purchasing certain roofing services; providing a civil penalty.

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

SECTION 1. Chapter 1806, Insurance Code, is amended by adding Subchapter E to read as follows:

SUBCHAPTER E. ADDITIONAL PROVISIONS APPLICABLE TO RESIDENTIAL PROPERTY INSURANCE

Sec. 1806.201. REBATES AND INCENTIVES FOR ROOFING SERVICES PROHIBITED; PENALTY. (a) A person who provides roofing services to repair or replace a roof the repair or replacement of which is or may be covered by a residential property insurance policy may not offer or provide consideration, including a discount, rebate, or product voucher, to reduce, directly or indirectly, a covered person's out-of-pocket expense related to the purchase of the roofing services.

(b) A person who intentionally, knowingly, or recklessly violates Subsection (a) is liable for a civil penalty, recoverable by a civil action brought by the attorney general, in an amount not to exceed \$1,000 for each violation.

(c) A civil penalty authorized by this section is in addition to any other civil, administrative, or criminal remedy provided by law.

SECTION 2. (a) The change in law made by this Act applies

1 only to a violation committed on or after the effective date of this
2 Act. For purposes of this section, a violation is committed before
3 the effective date of this Act if any element of the violation
4 occurs before that date.

5 (b) A violation committed before the effective date of this
6 Act is governed by the law in effect immediately before the
7 effective date of this Act, and the former law is continued in
8 effect for that purpose.

9 SECTION 3. This Act takes effect September 1, 2013.