

By: Lucio III

H.B. No. 1810

A BILL TO BE ENTITLED

AN ACT

relating to permissive driver exclusions for automobile insurance.

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

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

SUBCHAPTER H. PERMISSIVE DRIVER POLICIES

Sec. 1952.351. DEFINITION. In this subchapter, "permissive driver exclusion" means a provision or endorsement of an automobile insurance policy that excludes drivers who receive permission from the insured to drive the insured's vehicle from coverage under the policy.

Sec. 1952.352. APPLICABILITY. This subchapter applies to an insurer writing automobile insurance in this state, including an insurance company, corporation, reciprocal or interinsurance exchange, mutual insurance company, capital stock company, association, county mutual insurance company, Lloyd's plan, and other insurer.

Sec. 1952.353. PERMISSIVE DRIVER EXCLUSIONS PROHIBITED. An insurer may not use a permissive driver exclusion for an automobile insurance policy delivered, issued for delivery, or renewed in this state.

SECTION 2. Section 912.152(a), Insurance Code, is amended to read as follows:

(a) A county mutual insurance company is subject to:

- 1 (1) Sections 1952.051-1952.055;
- 2 (2) Subchapter H, Chapter 1952;
- 3 (3) [~~2~~] Subchapter B, Chapter 2002;
- 4 (4) [~~3~~] Chapter 2301; and
- 5 (5) [~~4~~] Articles 5.06 and 5.35.

6 SECTION 3. Section 1952.001, Insurance Code, is amended to
7 read as follows:

8 Sec. 1952.001. APPLICABILITY OF CHAPTER. Except as
9 provided by Sections [~~Section~~] 1952.201 and 1952.352, this chapter
10 applies to an insurer writing automobile insurance in this state,
11 including an insurance company, corporation, reciprocal or
12 interinsurance exchange, mutual insurance company, association,
13 Lloyd's plan, or other insurer.

14 SECTION 4. The change in law made by this Act applies only
15 to an insurance policy that is delivered, issued for delivery, or
16 renewed on or after January 1, 2014. A policy delivered, issued for
17 delivery, or renewed before January 1, 2014, is governed by the law
18 as it existed immediately before the effective date of this Act, and
19 that law is continued in effect for that purpose.

20 SECTION 5. This Act takes effect September 1, 2013.