

House Bill 949
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

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

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

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

Sec. 1952.059. REQUIRED PROVISION: COVERAGE FOR CERTAIN VEHICLES ACQUIRED DURING POLICY TERM.

(a) This section applies to an insurer authorized to write automobile insurance in this state, including an insurance company, reciprocal or interinsurance exchange, mutual insurance company, capital stock company, county mutual insurance company, Lloyd's plan, or other entity.

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

(c) Coverage under this section is required only for a vehicle that is:

(1) a private passenger automobile; or

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

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

SENATE VERSION (CS)

SECTION 1. Same as House version.

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

Sec. 1952.059. REQUIRED PROVISION: COVERAGE FOR CERTAIN VEHICLES ACQUIRED DURING POLICY TERM.

(a) This section applies to an insurer authorized to write automobile insurance in this state, including an insurance company, reciprocal or interinsurance exchange, mutual insurance company, capital stock company, county mutual insurance company, Lloyd's plan, or other entity.

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

(c) Coverage under this section is required only for a vehicle that is:

(1) a private passenger automobile; or

(2) a pickup, utility vehicle, or van with a gross vehicle weight of ~~30,000~~ 25,000 pounds or less that is not used for the delivery or transportation of goods, materials, or supplies, other than samples, unless:

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

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(B) the vehicle is used for farming or ranching.
(d) Coverage under this section is required only for a vehicle that is acquired during the policy term and of which the insurer is notified on or before:
(1) the 20th day after the date on which the insured becomes the owner of the vehicle; or
(2) a later date specified by the policy.
(e) Coverage under this section for a vehicle that replaces a covered vehicle shown in the declarations for the policy must be the same as the coverage for the vehicle being replaced. An insured must notify the insurer of a replacement vehicle during the time prescribed by Subsection (d) only if the insured wishes to:
(1) add coverage for damage to the vehicle; or
(2) continue existing coverage for damage to the vehicle after the period prescribed by Subsection (d) expires.
(f) Coverage under this section for a vehicle that is acquired during the policy term in addition to the covered vehicles shown in the declarations for the policy and of which the insurer is notified as prescribed by Subsection (d) must be the broadest coverage provided under the policy for any covered vehicle shown in the declarations.

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

SENATE VERSION (CS)

(B) the vehicle is used for farming or ranching.
(d) Coverage under this section is required only for a vehicle that is acquired during the policy term and of which the insurer is notified on or before:
(1) the 20th day after the date on which the insured becomes the owner of the vehicle; or
(2) a later date specified by the policy.
(e) Coverage under this section for a vehicle that replaces a covered vehicle shown in the declarations for the policy must be the same as the coverage for the vehicle being replaced. An insured must notify the insurer of a replacement vehicle during the time prescribed by Subsection (d) only if the insured wishes to:
(1) add coverage for damage to the vehicle; or
(2) continue existing coverage for damage to the vehicle after the period prescribed by Subsection (d) expires.
(f) Coverage under this section for a vehicle that is acquired during the policy term in addition to the covered vehicles shown in the declarations for the policy and of which the insurer is notified as prescribed by Subsection (d) must be the broadest coverage provided under the policy for any covered vehicle shown in the declarations.

SECTION 3. Same as House version.

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SECTION 4. This Act takes effect September 1, 2013.

SENATE VERSION (CS)

SECTION 4. Same as House version.

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