

Amend CSSB 1628 (senate committee printing) as follows:

(1) In SECTION 11 of the bill, strike added Section 542.0601, Insurance Code (page 4, lines 12-35), and substitute the following:

Sec. 542.0601. LIABILITY WITH RESPECT TO CERTAIN CLAIMS.
An insurer is not liable under Section 542.060 with respect to a claim made under an insurance policy covering real property or improvements to real property if the claim is resolved through appraisal in accordance with the terms of the policy.

(2) In SECTION 12 of the bill, in the recital (page 4, line 37), strike "Chapter 1808" and substitute "Chapters 1808 and 1809".

(3) In SECTION 12 of the bill, following added Chapter 1808, Insurance Code (page 4, between lines 64 and 65), insert the following:

CHAPTER 1809. APPRAISAL PROCESS FOR CERTAIN POLICIES

Sec. 1809.001. NOTICE OF APPRAISAL PROVISIONS; APPRAISER SELECTION PROCESS. (a) If an insurance policy covering real property or improvements to real property contains a provision allowing resolution of a dispute through appraisal, the policy must contain, in boldface type, a conspicuous notice concerning the resolution of disputes through the appraisal process, including:

- (1) the processes and deadlines for appraisal; and
- (2) the binding effect, if any, of the appraisal

decision.

(b) The appraisal process must provide and the notice required by this section must inform the insured that:

(1) if the appraisal process is invoked, the insured and insurer each will be required to name an appraiser, and those two appraisers must agree on a competent and impartial appraisal umpire to participate in the resolution of the dispute; and

(2) if the appraisers named by the insured and insurer are unable to agree for any reason on a competent and impartial appraisal umpire to participate in the resolution of the dispute, the commissioner will select a competent and impartial appraisal umpire from a roster of qualified umpires maintained by the department.

Sec. 1809.002. APPRAISAL AWARD. An appraisal award made

under a policy covering real property or improvements to real property must be consistent with the coverage, conditions, and limits provided by the policy and must account for any prior payments and applicable deductible amounts.

(4) Insert the following appropriately numbered SECTION and renumber SECTIONS of the bill appropriately:

SECTION _____. Chapter 1809, Insurance Code, as added by this Act, applies only to an insurance policy delivered, issued for delivery, or renewed on or after January 1, 2016.