

## **BILL ANALYSIS**

S.B. 956  
By: Eltife  
Insurance  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Interested parties note that current law does not set a deadline by which insurers must deliver personal automobile or residential property insurance policies to policyholders. Given the varying term lengths of different policies, the parties assert that there is a need to set requirements for timely delivery of an insurance policy based on the length of such a policy's term. S.B. 956 seeks to address this issue.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that rulemaking authority is expressly granted to the commissioner of insurance in SECTION 1 of this bill.

### **ANALYSIS**

S.B. 956 amends the Insurance Code to require an insurer writing personal automobile insurance or residential property insurance in Texas, the Texas Windstorm Insurance Association, the FAIR Plan Association, and the Texas Automobile Insurance Plan Association to deliver a policy issued by the insurer to the policyholder, or to the insurer's agent for delivery to the policyholder, not later than the 30th day after the effective date of the policy if the policy term is more than 30 days, not later than the 10th day after the effective date of the policy if the policy term is more than 10 days and less than 31 days, or within the policy period for a policy with a term of 10 days or less.

S.B. 956 requires an insurer subject to the bill's provisions to deliver a policy renewed or amended by the insurer to the policyholder, or to the insurer's agent for delivery to the policyholder, not later than the 15th day after the date the insurer or insurer's agent receives a written request from the policyholder that the policy be delivered to the policyholder.

S.B. 956 authorizes the commissioner of insurance to adopt rules to implement the bill's provisions.

### **EFFECTIVE DATE**

September 1, 2015.