

By: Meyer

H.B. No. 2947

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to the duty of a surplus lines insurance agent in the  
3 placement of a surplus lines insurance policy.

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

5 SECTION 1. Section 981.004, Texas Insurance Code is amended  
6 by amending Subsection (a) and adding subsection (d), to read as  
7 follows:

8 (a) An eligible surplus lines insurer may provide surplus  
9 lines insurance only if:

10 (1) the full amount of required insurance cannot be  
11 obtained, after a diligent effort by the surplus lines agent  
12 placing the policy, from an insurer authorized to write and  
13 actually writing that kind and class of insurance in this state;

14 (2) the insurance is placed through a surplus lines  
15 agent; and

16 (3) the insurer meets the eligibility requirements of  
17 Subchapter B as of the inception date and annual anniversary date of  
18 each insurance contract, cover note, or other confirmation of  
19 insurance.

20 (d) The surplus lines agent placing the policy shall  
21 maintain in the agent's files a record indicating the performance  
22 of the diligent effort required by subsection (a) of this section,  
23 available for inspection by the department.

24 SECTION 2. This Act takes effect January 1, 2016.