

By: Capriglione

H.B. No. 2971

A BILL TO BE ENTITLED

AN ACT

relating to prosecution of the offense of payment of deductibles under a property or casualty insurance policy.

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

SECTION 1. Sections 27.02(a) and (b), Business & Commerce Code, are amended to read as follows:

(a) A person ~~[who sells goods or services]~~ commits an offense if as part of the claim process under a property or casualty insurance policy:

(1) the person advertises or promises to provide a ~~[the]~~ good or service and offers to pay, waive, rebate, trade, subsidize, credit, or otherwise cover:

(A) all or part of any applicable insurance deductible; or

(B) ~~[a rebate in]~~ an amount equal to all or part of any applicable insurance deductible or other uninsured amount owed by an insured under the terms of the applicable policy;

(2) the good or service is paid for by the consumer from proceeds of a property or casualty insurance policy; and

(3) the person knowingly provides or causes to be provided to an insurer an estimate or other statement of the cost of repair for the good or service that the person increases or otherwise manipulates ~~[charges an amount for the good or service that exceeds the usual and customary charge by the person for the~~

1 ~~good or service~~] by an amount equal to or greater than all or part of
2 the applicable insurance deductible or other uninsured amount owed
3 by an insured under the terms of the applicable policy ~~[paid by the~~
4 ~~person to an insurer on behalf of an insured or remitted to an~~
5 ~~insured by the person as a rebate]~~.

6 (b) A person who is insured under a property or casualty
7 insurance policy commits an offense if the person:

8 (1) submits, either directly or indirectly, a claim
9 under the policy based on conduct ~~[charges]~~ that is ~~[are]~~ in
10 violation of Subsection (a) ~~[of this section]~~; or

11 (2) knowingly allows a claim in violation of
12 Subsection (a) ~~[of this section]~~ to be submitted, unless the person
13 promptly notifies the insurer of the conduct in violation of
14 Subsection (a) ~~[excessive charges]~~.

15 SECTION 2. The change in law made by this Act applies only
16 to an offense committed on or after the effective date of this Act.
17 An offense committed before the effective date of this Act is
18 governed by the law in effect on the date the offense was committed,
19 and the former law is continued in effect for that purpose. For
20 purposes of this section, an offense was committed before the
21 effective date of this Act if any element of the offense occurred
22 before that date.

23 SECTION 3. This Act takes effect September 1, 2015.