

By: Murphy

H.B. No. 3075

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to notice of punitive and exemplary damages coverage in  
3 certain insurance policies or contracts; adding a provision that  
4 may be subject to a criminal penalty.

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

6 SECTION 1. Subchapter A, Chapter 2301, Insurance Code, is  
7 amended by adding Section 2301.011 to read as follows:

8 Sec. 2301.011. NOTICE OF PUNITIVE AND EXEMPLARY DAMAGES  
9 COVERAGE FOR CERTAIN PERSONAL LINES. An issuer of a policy or  
10 contract for personal automobile insurance, personal umbrella  
11 insurance, or residential property insurance must disclose on the  
12 policy's declarations page the coverage provided by the policy for  
13 an award of punitive or exemplary damages against the insured.

14 SECTION 2. The change in law made by this Act applies only  
15 to an insurance policy or contract delivered, issued for delivery,  
16 or renewed on or after January 1, 2016. A policy or contract  
17 delivered, issued for delivery, or renewed before that date is  
18 governed by the law as it existed immediately before the effective  
19 date of this Act, and that law is continued in effect for that  
20 purpose.

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