

By: Watson

S.B. No. 189

A BILL TO BE ENTITLED

1 AN ACT  
2 relating to certain practices in the business of personal  
3 automobile insurance.

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

5 SECTION 1. Section 544.552, Insurance Code, is amended to  
6 read as follows:

7 Sec. 544.552. APPLICABILITY. This subchapter applies only  
8 to:

9 (1) a standard fire, homeowners, or farm and ranch  
10 owners insurance policy; or

11 (2) a personal automobile insurance policy, including  
12 a policy written by a county mutual insurance company.

13 SECTION 2. Section 551.113(a), Insurance Code, is amended  
14 to read as follows:

15 (a) This section applies only to:

16 (1) a standard fire, homeowners, or farm and ranch  
17 owners insurance policy; or

18 (2) a personal automobile insurance policy.

19 SECTION 3. Section 912.002(b), Insurance Code, is amended  
20 to read as follows:

21 (b) A county mutual insurance company is subject to:

22 (1) Sections 38.001, 401.051, 401.052,  
23 401.054-401.062, 401.151, 401.152, 401.155, 401.156, 501.159,  
24 501.202, 501.203, 822.204, 1806.001, 1806.101, 1806.103(b),

1 1806.104-1806.107, 1953.051(b), 2002.002, and 2002.005;

2 (2) Subchapter A, Chapter 86;

3 (3) Subchapter A, Chapter 401;

4 (4) the provisions of Subchapter B, Chapter 424, other  
5 than Sections 424.052, 424.072, and 424.073;

6 (5) Chapters 221, 251, 252, 254, 541, and 2210; and

7 (6) Articles 5.39 and 5.40.

8 SECTION 4. Section 1953.051, Insurance Code, is amended to  
9 read as follows:

10 Sec. 1953.051. CERTAIN RATING PLANS PROHIBITED. (a) A  
11 rating plan regarding the writing of automobile insurance, other  
12 than insurance written under Chapter 2151, may not:

13 (1) assign a rate consequence to a charge or  
14 conviction for a violation of Subtitle C, Title 7, Transportation  
15 Code; or

16 (2) otherwise cause premiums for automobile insurance  
17 to be increased because of a charge or conviction described by  
18 Subdivision (1).

19 (b) A rating plan regarding the writing of personal  
20 automobile insurance may not:

21 (1) assign a rate consequence solely to:

22 (A) a consumer inquiry, as defined by Section  
23 544.551, made by an applicant or insured; or

24 (B) a claim filed by an insured under a personal  
25 automobile insurance policy that is not paid or payable under the  
26 policy; or

27 (2) otherwise cause premiums for personal automobile

1 insurance to be increased solely because of an inquiry or claim  
2 described by Subdivision (1).

3           SECTION 5. This Act applies only to an insurance policy that  
4 is delivered, issued for delivery, or renewed on or after the  
5 effective date of this Act. A policy delivered, issued for  
6 delivery, or renewed before the effective date of this Act is  
7 governed by the law as it existed immediately before the effective  
8 date of this Act, and that law is continued in effect for that  
9 purpose.

10           SECTION 6. This Act takes effect September 1, 2015.