

By: Watson, et al.
(Muñoz, Jr.)

S.B. No. 189

A BILL TO BE ENTITLED

AN ACT

relating to certain practices in the business of personal automobile insurance.

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

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

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

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

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

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

(a) This section applies only to:

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

(2) a personal automobile insurance policy.

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

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

(1) Sections 38.001, 401.051, 401.052, 401.054-401.062, 401.151, 401.152, 401.155, 401.156, 501.159, 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.