

By: Eltife

S.B. No. 956

A BILL TO BE ENTITLED

AN ACT

relating to the delivery of personal automobile and residential property insurance policies; adding provisions that may be subject to a criminal penalty.

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

SECTION 1. Subtitle B, Title 5, Insurance Code, is amended by adding Chapter 525 to read as follows:

CHAPTER 525. DELIVERY OF INSURANCE POLICIES

Sec. 525.001. APPLICABILITY OF CHAPTER. This chapter applies to:

(1) an insurer, as defined by Section 2301.051, writing personal automobile insurance or residential property insurance, as defined by Section 2301.051, in this state;

(2) the Texas Windstorm Insurance Association;

(3) the FAIR Plan Association; and

(4) the Texas Automobile Insurance Plan Association.

Sec. 525.002. DELIVERY OF INSURANCE POLICIES. (a) Except as provided by Subsection (b), an insurer to whom this chapter applies shall deliver a policy issued by the insurer to the policyholder, or to the insurer's agent for delivery to the policyholder:

(1) not later than:

(A) the 30th day after the effective date of the policy if the policy term is more than 30 days; or

1                   (B) the 10th day after the effective date of the  
2 policy if the policy term is more than 10 days and less than 31 days;  
3 or

4                   (2) within the policy period for a policy with a term  
5 of 10 days or less.

6           (b) An insurer to whom this chapter applies shall deliver a  
7 policy renewed or amended by the insurer to the policyholder, or to  
8 the insurer's agent for delivery to the policyholder, not later  
9 than the 15th day after the date the insurer or insurer's agent  
10 receives a written request from the policyholder that the policy be  
11 delivered to the policyholder.

12           Sec. 525.003. RULEMAKING AUTHORITY. The commissioner may  
13 adopt rules to implement this chapter.

14           SECTION 2. Chapter 525, Insurance Code, as added by this  
15 Act, applies only to an insurance policy that is delivered, issued  
16 for delivery, or renewed on or after the effective date of this Act.  
17 A policy delivered, issued for delivery, or renewed before the  
18 effective date of this Act is governed by the law as it existed  
19 immediately before that date, and that law is continued in effect  
20 for that purpose.

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