

By: Davis of Dallas

H.B. No. 2394

A BILL TO BE ENTITLED

AN ACT

relating to the award of damages in certain civil actions against certain entities regulated under the Insurance Code.

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

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

SUBTITLE H. CIVIL ACTIONS AGAINST REGULATED ENTITIES

CHAPTER 761. DAMAGES IN CERTAIN CIVIL ACTIONS

Sec. 761.001. APPLICABILITY OF CHAPTER. This chapter applies to each entity regulated by the commissioner, including an entity listed in Section 802.051.

Sec. 761.002. DAMAGES IN CERTAIN CIVIL ACTIONS. In addition to any other damages, including exemplary damages, costs, and fees awarded, a court shall award to a claimant who prevails in a civil action against an entity described by Section 761.001 arising from a claim for coverage or benefits under an insurance policy or contract or health benefit plan that is written by the entity exemplary damages in an amount equal to the total amount of premiums, contributions, or other consideration paid by the claimant under the policy, contract, or plan in the five years preceding the date of judgment.

SECTION 2. The change in law made by this Act applies only to a cause of action that accrues on or after the effective date of this Act. A cause of action that accrued before the effective date

1 of this Act is governed by the law applicable to the cause of action
2 immediately before the effective date of this Act, and that law is
3 continued in effect for that purpose.

4 SECTION 3. This Act takes effect September 1, 2017.