86R16775 JES-F

By:  Frullo H.B. No. 1306

Substitute the following for H.B. No. 1306:

By:  Lucio III C.S.H.B. No. 1306

A BILL TO BE ENTITLED

AN ACT

relating to the provision of flood coverage under insurance policies issued by surplus lines insurers.

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

SECTION 1.  Section 981.004, Insurance Code, is amended by adding Subsection (e) to read as follows:

(e)  Subsections (a)(1) and (b) do not apply to flood coverage under an insurance policy issued by an eligible surplus lines insurer that has a financial strength rating of A- or better from the A. M. Best Company.

SECTION 2.  Section 981.004(e), Insurance Code, as added by this Act, applies only to an insurance policy delivered, issued for delivery, or renewed on or after January 1, 2020. A policy delivered, issued for delivery, or renewed before January 1, 2020, is governed by the law as it existed immediately before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION 3.  This Act takes effect September 1, 2019.