

By: King of Hemphill

H.B. No. 668

A BILL TO BE ENTITLED

AN ACT

relating to the regulation of property and casualty insurance rates
in certain areas after a disaster declaration.

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

SECTION 1. Subchapter B, Chapter 2251, Insurance Code, is
amended by adding Section 2251.053 to read as follows:

Sec. 2251.053. LIMITATION ON USE OF DISASTER LOSS AND
EXPENSE EXPERIENCE. If the governor designates a disaster area
under Section 418.014, Government Code, an insurer may not consider
loss and expense experience caused by the disaster in the
designated area to set rates for risks outside of the designated
area.

SECTION 2. The change in law made by this Act applies only
to a rate for an insurance policy that is delivered, issued for
delivery, or renewed on or after January 1, 2020. A rate for an
insurance 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.