

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

1 AN ACT
2 relating to the provision of flood coverage under insurance
3 policies issued by surplus lines insurers.

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

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

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

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

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