

By: Lucio III, Hunter

H.B. No. 1648

Substitute the following for H.B. No. 1648:

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C.S.H.B. No. 1648

A BILL TO BE ENTITLED

1 AN ACT

2 relating to arbitration related to certain risks under certain
3 insurance policies and contracts.

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

5 SECTION 1. Subchapter D, Chapter 941, Insurance Code, is
6 amended by adding Section 941.157 to read as follows:

7 Sec. 941.157. ARBITRATION IN TEXAS. (a) An arbitration
8 under an insurance policy or contract written by a Lloyd's plan that
9 is related to a risk located entirely in this state must be
10 conducted in this state, and the arbitration agreement in the
11 insurance policy or contract must be interpreted in accordance with
12 the laws of this state.

13 (b) This section applies to an arbitration under an
14 insurance policy or contract written by a Lloyd's plan entered into
15 in or outside of this state.

16 SECTION 2. Subchapter B, Chapter 981, Insurance Code, is
17 amended by adding Section 981.067 to read as follows:

18 Sec. 981.067. ARBITRATION IN TEXAS. (a) An arbitration
19 under a surplus lines insurance contract that is related to a risk
20 located entirely in this state must be conducted in this state, and
21 the arbitration agreement in the insurance contract must be
22 interpreted in accordance with the laws of this state.

23 (b) This section applies to an arbitration under a surplus
24 lines insurance contract entered into in or outside of this state.

1 SECTION 3. (a) Section 941.157, Insurance Code, as added by
2 this Act, applies only to an insurance policy or contract written by
3 a Lloyd's plan delivered, issued for delivery, or renewed on or
4 after January 1, 2020.

5 (b) Section 981.067, Insurance Code, as added by this Act,
6 applies only to a surplus lines insurance contract delivered,
7 issued for delivery, or renewed on or after January 1, 2020.

8 SECTION 4. This Act takes effect September 1, 2019.