

By: Bonnen of Galveston

H.B. No. 1900

A BILL TO BE ENTITLED

1 AN ACT  
2 relating to replacement cost coverage in policies issued by the  
3 Texas Windstorm Insurance Association.

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

5 SECTION 1. Sections [2210.207\(c\)](#) and (d), Insurance Code,  
6 are amended to read as follows:

7 (c) If, on the effective date of an association policy [~~at~~  
8 ~~the time of loss~~], the total amount of insurance applicable to a  
9 dwelling is equal to 80 percent or more of the full replacement cost  
10 of the dwelling or equal to the maximum amount of insurance  
11 otherwise available through the association, coverage applicable  
12 to the dwelling under the policy is extended to include the full  
13 cost of repair or replacement, without a deduction for  
14 depreciation.

15 (d) If, on the effective date of an association policy [~~at~~  
16 ~~the time of loss~~], the total amount of insurance applicable to a  
17 dwelling is equal to less than 80 percent of the full replacement  
18 cost of the dwelling and less than the maximum amount of insurance  
19 available through the association, liability for loss under the  
20 policy may not exceed the replacement cost of the part of the  
21 dwelling that is damaged or destroyed, less depreciation.

22 SECTION 2. Section [2210.207](#), Insurance Code, as amended by  
23 this Act, applies only to an insurance policy delivered, issued for  
24 delivery, or renewed on or after January 1, 2020. A policy

1 delivered, issued for delivery, or renewed before January 1, 2020,  
2 is governed by the law as it existed immediately before the  
3 effective date of this Act, and that law is continued in effect for  
4 that purpose.

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