

By: Lucio III

H.B. No. 2686

Substitute the following for H.B. No. 2686:

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C.S.H.B. No. 2686

A BILL TO BE ENTITLED

1 AN ACT
2 relating to a dispute relating to a denial of coverage by the Texas
3 Windstorm Insurance Association.

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

5 SECTION 1. Section 2210.573, Insurance Code, is amended by
6 adding Subsection (d-1) to read as follows:

7 (d-1) Subject to Section 2210.575, if the association
8 wholly or partly denies a claim under this section, a claimant may
9 maintain an action against the association concerning the denial
10 regardless of whether the association later accepts the previously
11 denied portion of the claim.

12 SECTION 2. Section 2210.576(a), Insurance Code, is amended
13 to read as follows:

14 (a) The only issues a claimant may raise in an action
15 brought against the association under Section 2210.575 are:

16 (1) whether the association's denial of coverage was
17 proper, regardless of whether the association later accepts the
18 claim; and

19 (2) the amount of the damages described by Subsection
20 (b) to which the claimant is entitled, if any.

21 SECTION 3. The change in law made by this Act applies only
22 to a claim filed on or after the effective date of this Act. A claim
23 filed before the effective date of this Act is governed by the law
24 applicable to the claim immediately before the effective date of

1 this Act, and that law is continued in effect for that purpose.

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