

By: Lucio III

H.B. No. 2686

A BILL TO BE ENTITLED

AN ACT

relating to the denial of coverage for a claim filed with the Texas
Windstorm Insurance Association.

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

SECTION 1. Section 2210.573, Insurance Code, is amended by
adding Subsections (d-1) and (e-1) to read as follows:

(d-1) If the association does not wholly or partly accept
coverage for the claim under Subsection (d), the unaccepted
coverage is considered denied.

(e-1) In a notice described by Subsection (d)(1) or (2), the
association shall include an itemized list of the portions of the
claim for which coverage is accepted. Coverage for any portion not
included on the itemized list is considered denied and coverage for
the claim is considered not to have been accepted in full.

SECTION 2. Section 2210.575(a), Insurance Code, is amended
to read as follows:

(a) If the association denies coverage for a claim in part
or in full and the claimant disputes that determination, the
claimant, not later than the expiration of the limitations period
described by Section 2210.577(a), but after the date the claimant
receives the notice described by Section 2210.573(d)
~~[2210.573(d)(2) or (3)]~~, must provide the association with notice
that the claimant intends to bring an action against the
association concerning the partial or full denial of the claim.

1 SECTION 3. Section 2210.577(a), Insurance Code, is amended
2 to read as follows:

3 (a) Notwithstanding any other law, a claimant who brings an
4 action against the association under Section 2210.575 must bring
5 the action not later than the second anniversary of the date on
6 which the person receives a notice described by Section
7 2210.573(d) [~~2210.573(d)(2) or (3)~~].

8 SECTION 4. The change in law made by this Act applies only
9 to a claim filed on or after the effective date of this Act. A claim
10 filed before the effective date of this Act is governed by the law
11 applicable to the claim immediately before the effective date of
12 this Act, and that law is continued in effect for that purpose.

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