

By: Herrero

H.B. No. 3629

A BILL TO BE ENTITLED

AN ACT

relating to premium rates for policies issued by the Texas  
Windstorm Insurance Association.

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

SECTION 1. Section 2210.204, Insurance Code, is amended by  
adding Subsection (f) to read as follows:

(f) This section does not apply to a policy if a claim has  
been filed for a loss covered by the policy or a preceding policy  
that has not been paid or denied by the association.

SECTION 2. Section 2210.355, Insurance Code, is amended by  
adding Subsection (c-1) to read as follows:

(c-1) Notwithstanding any other provision of this chapter,  
rates for coverage under this chapter and the rate for an individual  
risk insured under this chapter may not exceed 101 percent of the  
rates for the preceding year.

SECTION 3. Subchapter H, Chapter 2210, Insurance Code, is  
amended by adding Section 2210.364 to read as follows:

Sec. 2210.364. CERTAIN RATE INCREASES PROHIBITED. During  
the three years following a declaration of disaster by the governor  
under Chapter 418, Government Code, the association may not raise  
the rates for policies issued in the area subject to the disaster  
declaration.

SECTION 4. Subchapter L-1, Chapter 2210, Insurance Code, is  
amended by adding Section 2210.5732 to read as follows:

1        Sec. 2210.5732. CERTAIN PREMIUM COLLECTIONS PROHIBITED.

2        The association may not collect a premium for an association policy  
3        if a claim has been filed for a loss covered by the policy or a  
4        preceding policy until the claim is paid or denied.

5        SECTION 5. Sections [2210.204\(f\)](#) and 2210.5732, Insurance  
6        Code, as added by this Act, apply only to a premium due under a  
7        policy on or after the effective date of this Act. A premium due  
8        under a policy filed before the effective date of this Act is  
9        governed by the law applicable to the claim immediately before the  
10       effective date of this Act, and that law is continued in effect for  
11       that purpose.

12       SECTION 6. This Act takes effect September 1, 2019.