

BILL ANALYSIS

H.B. 2269
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Insurance
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Many personal automobile insurance consumers face varying, unknown, or hidden deductibles in their policies. In its recommendations to the 86th Legislature, the Office of Public Insurance Counsel suggested requiring insurers to clearly identify each type of deductible, and the amount of the deductible, on the declarations page. This information is already required to be on the declarations page of a residential property policy, but this requirement does not currently apply to personal automobile policies. H.B. 2269 seeks to address this issue by requiring a personal automobile insurance policy form to include a declarations page listing each type of deductible and the dollar amount of that deductible.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 2269 amends the Insurance Code to require a personal automobile insurance policy form to include a declarations page that lists and identifies each type of deductible under the policy and that states the exact dollar amount of each deductible under the policy. The bill requires the declaration page, if a personal automobile insurance policy or an endorsement attached to the policy contains a provision that may cause the exact dollar amount of a deductible under the policy to increase from the initial amount selected by the policyholder, to identify or include a written disclosure that clearly identifies the applicable policy provision or endorsement. The policy provision or endorsement must explain how any increase in the applicable deductible amount is determined. The bill applies only to a personal automobile insurance policy delivered, issued for delivery, or renewed on or after January 1, 2022.

EFFECTIVE DATE

September 1, 2021.