

By: Hull

H.B. No. 3964

Substitute the following for H.B. No. 3964:

By: Oliverson

C.S.H.B. No. 3964

A BILL TO BE ENTITLED

1 AN ACT

2 relating to construction of certain laws prohibiting  
3 discrimination, distinctions, inducements, rebates, and certain  
4 other conduct related to property and casualty insurance.

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

6 SECTION 1. Subchapter A, Chapter 1806, Insurance Code, is  
7 amended by adding Section 1806.002 to read as follows:

8 Sec. 1806.002. CONSTRUCTION OF CERTAIN PROVISIONS;  
9 SERVICES RELATED TO LOSS CONTROL. (a) Nothing in Section 1806.053,  
10 1806.054, 1806.104, 1806.1041, 1806.153, 1806.1541, or 1806.156  
11 may be construed as:

12 (1) permitting an unfair method of competition or a  
13 false, misleading, or deceptive act or practice under Section  
14 17.46, Business & Commerce Code; or

15 (2) prohibiting an insurer or an insurer's agent from  
16 offering or giving to an insured or applicant, for free or at a  
17 discounted price in a manner that is not unfairly discriminatory to  
18 insureds or applicants of the same class and of essentially the same  
19 hazard, services or other offerings that relate to loss control of  
20 the risks covered under the insured's policy, subject to Subsection  
21 (b).

22 (b) The cost to the insurer or the insurer's agent offering  
23 the product or service to any given customer must be reasonable in  
24 comparison to that customer's premiums or insurance coverage for

1 the policy class.

2 (c) The commissioner may adopt rules as necessary to  
3 implement this section.

4 SECTION 2. This Act takes effect September 1, 2021.