

AN ACT

relating to the right of an insured to enter into a contract with a public insurance adjuster.

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

SECTION 1. Subchapter A, Chapter 4102, Insurance Code, is amended by adding Section 4102.007 to read as follows:

Sec. 4102.007. RIGHT TO CONTRACT WITH LICENSE HOLDER. (a) Notwithstanding Sections 4001.002 and 4102.002, this section applies to a commercial or residential property insurance policy issued by an insurer, including:

- (1) a capital stock insurance company;
- (2) a mutual insurance company;
- (3) a county mutual insurance company;
- (4) a Lloyd's plan;
- (5) a reciprocal or interinsurance exchange;
- (6) a farm mutual insurance company; and
- (7) an eligible surplus lines insurer if this state is the insured's home state as defined by Section 981.002.

(b) An insurance policy, including any endorsement, to which this section applies may not include a provision that prohibits an insured from contracting with a public insurance adjuster for services provided under this chapter.

(c) An insured is not required to enter into a contract described by Subsection (b).

1 SECTION 2. Section 4102.007, Insurance Code, as added by
2 this Act, applies only to an insurance policy delivered, issued for
3 delivery, or renewed on or after January 1, 2024.

4 SECTION 3. This Act takes effect September 1, 2023.

President of the Senate

Speaker of the House

I certify that H.B. No. 1706 was passed by the House on April 14, 2023, by the following vote: Yeas 142, Nays 1, 2 present, not voting; and that the House concurred in Senate amendments to H.B. No. 1706 on May 15, 2023, by the following vote: Yeas 143, Nays 0, 1 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 1706 was passed by the Senate, with amendments, on May 10, 2023, by the following vote: Yeas 30, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor