

By: Morgan, Barry, Johnson, Garcia Hernandez,
Bryant, et al.

H.B. No. 2275

Substitute the following for H.B. No. 2275:

By: Dean

C.S.H.B. No. 2275

A BILL TO BE ENTITLED

AN ACT

relating to arbitration provisions in certain surplus lines
insurance contracts.

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

SECTION 1. Section 981.101, Insurance Code, is amended by
adding Subsection (d) to read as follows:

(d) A surplus lines insurance contract for a risk located
wholly in this state and that contains an arbitration agreement
must provide that:

(1) the arbitration will be:

(A) conducted in this state unless:

(i) the insurer and policyholder agree to a
different venue after the insurer provides written notice to the
policyholder of the insurer's request for a different venue; and

(ii) the insurer provides the policyholder
with a premium credit for the costs incurred by the policyholder as
a result of the change in venue; and

(B) governed by the laws of this state; and

(2) the insurance contract will be interpreted in
accordance with the laws of this state.

SECTION 2. Section 981.101(d), Insurance Code, as added by
this Act, applies only to a surplus lines insurance contract
delivered, issued for delivery, or renewed on or after January 1,
2026. A surplus lines insurance contract delivered, issued for

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1 delivery, or renewed before January 1, 2026, is governed by the law
2 as it existed immediately before the effective date of this Act, and
3 that law is continued in effect for that purpose.

4 SECTION 3. This Act takes effect September 1, 2025.