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H.B. No. 2518

A BILL TO BE ENTITLED

AN ACT

relating to the use of installment premium payment plans on Texas
Windstorm Insurance Association policies.

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

SECTION 1. Section 2210.2032, Insurance Code, is amended to
add Section 2210.2032(c) to read as follows:

Sec. 2210.2032. PREMIUM PAYMENT METHODS. (a) The
association shall accept payment of premium by credit card. The
association may impose a fee on a policyholder for the use of a
credit card to pay premium. The fee may not exceed the amount
necessary to recoup the cost incurred by the association in
connection with the policyholder's use of a credit card.

(b) The association shall provide to policyholders the
option to pay premium in installments. A policyholder that pays
premium in accordance with an installment payment plan established
by the association and remains current on the payments satisfies
the obligation for payment of premium under this chapter.

(c) Due to the availability of multiple installment payment
plans directly through the association at no additional cost to the
insured, the use of premium financing arrangements is prohibited.

SECTION 2. The changes in law made by this Act apply to
policies issued and renewed on or after January 1, 2026.

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