

By: Barry

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.