

**SENATE AMENDMENTS**  
**2<sup>nd</sup> Printing**

By: Paul, Capriglione, et al.

H.B. No. 2067

A BILL TO BE ENTITLED

AN ACT

relating to declination, cancellation, or nonrenewal of insurance policies.

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

SECTION 1. Section 551.001(a), Insurance Code, is amended to read as follows:

(a) The commissioner may, as necessary, adopt and enforce reasonable rules, including notice requirements, relating to:

(1) the cancellation and nonrenewal of any insurance policy regulated by the department under:

(A) ~~[(1)]~~ Chapter 5;

(B) ~~[(2)]~~ Chapter 1804, 1805, 2171, or 2301; or

(C) ~~[(3)]~~ Subtitle C, D, E, or F, Title 10; and

(2) the declination of a completed and submitted application for any insurance policy regulated by the department under a provision of this code listed in Subdivision (1) other than a workers' compensation insurance policy.

SECTION 2. Section 551.002, Insurance Code, is amended by amending Subsection (a) and adding Subsection (a-1) to read as follows:

(a) The commissioner shall require an insurer that declines a completed and submitted application for or cancels or refuses to renew an insurance policy to which Section 551.001 applies, other than a workers' compensation insurance policy ~~[on request by an~~

1 ~~applicant for insurance or a policyholder]~~, to provide to the  
2 applicant or policyholder a written statement of the reasons for  
3 the declination, cancellation, or nonrenewal of the ~~[an insurance]~~  
4 policy ~~[to which Section 551.001 applies]~~.

5 (a-1) The commissioner shall require an insurer that writes  
6 workers' compensation insurance, on request by an applicant for  
7 workers' compensation insurance or a policyholder, to provide to  
8 the applicant or policyholder a written statement of the reasons  
9 for the declination of a completed and submitted application for a  
10 workers' compensation insurance policy or the cancellation or  
11 nonrenewal of a workers' compensation insurance policy.

12 SECTION 3. Subchapter A, Chapter 551, Insurance Code, is  
13 amended by adding Section 551.006 to read as follows:

14 Sec. 551.006. REPORT REQUIRED. (a) An insurer shall  
15 provide to the department at least once each quarter a written  
16 report summarizing the insurer's reasons for declination,  
17 cancellation, or nonrenewal provided to applicants for insurance or  
18 policyholders as required by this chapter. The report must be:

19 (1) in the form and manner prescribed by the  
20 commissioner; and

21 (2) organized by the zip codes of the applicants and  
22 policyholders, as applicable, that received the statement.

23 (b) The department shall post an aggregated summary of the  
24 reports provided under this section on the department's Internet  
25 website. The aggregated summary:

26 (1) must be organized by the zip codes of the  
27 applicants and policyholders, as applicable; and

1           (2) may not identify, directly or indirectly, any  
2 insurer.

3           (c) This section does not apply to reasons for declination,  
4 cancellation, or nonrenewal provided to applicants for or  
5 policyholders of workers' compensation insurance policies.

6           SECTION 4. Subchapter A, Chapter 551, Insurance Code, is  
7 amended by adding Section 551.007 to read as follows:

8           Sec. 551.007. ELECTRONIC DELIVERY. Notwithstanding any  
9 other law, an insurer may deliver notice or a written statement of a  
10 declination required by this chapter by electronic means.

11           SECTION 5. The heading to Subchapter B, Chapter 551,  
12 Insurance Code, is amended to read as follows:

13 SUBCHAPTER B. DECLINATION, CANCELLATION, AND NONRENEWAL OF CERTAIN  
14 LIABILITY AND COMMERCIAL PROPERTY INSURANCE POLICIES

15           SECTION 6. Subchapter B, Chapter 551, Insurance Code, is  
16 amended by adding Section 551.0521 to read as follows:

17           Sec. 551.0521. WRITTEN NOTICE OF DECLINATION REQUIRED. An  
18 insurer that declines a completed and submitted application for a  
19 liability insurance or commercial property insurance policy shall  
20 deliver or mail written notice of the declination to the applicant.

21           SECTION 7. Section 551.055, Insurance Code, is amended to  
22 read as follows:

23           Sec. 551.055. REASON FOR DECLINATION, CANCELLATION, OR  
24 NONRENEWAL REQUIRED. In a notice to an applicant or insured  
25 relating to declination, cancellation, or refusal to renew, an  
26 insurer must state the reason for the declination, cancellation, or  
27 nonrenewal. The statement must comply with:

(1) Sections 551.002(b) and (c); and

(2) rules adopted under Section 551.002(d).

SECTION 8. Section 551.109, Insurance Code, is amended to read as follows:

Sec. 551.109. INSURER STATEMENT. An insurer shall~~[, at the request of an applicant for insurance or an insured,]~~ provide a written statement of the reason for a declination of a completed and submitted application for an insurance policy or a~~[,]~~ cancellation~~[,]~~ or nonrenewal of an insurance policy. The statement must comply with:

(1) Sections 551.002(b) and (c); and

(2) rules adopted under Section 551.002(d).

SECTION 9. (a) Except as provided by Subsection (b) of this section, the changes in law made by this Act apply only to an application for insurance that is made or an insurance policy that is delivered, issued for delivery, or renewed on or after the effective date of this Act. An application made or policy delivered, issued for delivery, or renewed before the effective date of this Act is governed by the law as it existed immediately before that date, and that law is continued in effect for that purpose.

(b) Subsection (a) of this section does not apply to Section 551.006, Insurance Code, as added by this Act.

SECTION 10. This Act takes effect March 1, 2026.

ADOPTED

MAY 25 2025

*Latey Law*  
Secretary of the Senate

By: Mayer Middleton

H.B. No. 2067

Substitute the following for H.B. No. 2067:

By: Phil King

C.S. H.B. No. 2067

A BILL TO BE ENTITLED

1 AN ACT

2 relating to declination, cancellation, or nonrenewal of insurance  
3 policies.

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

5 SECTION 1. Section 551.001(a), Insurance Code, is amended  
6 to read as follows:

7 (a) The commissioner may, as necessary, adopt and enforce  
8 reasonable rules, including notice requirements, relating to the  
9 declination of a completed and submitted application for or the  
10 cancellation or ~~[and]~~ nonrenewal of any insurance policy regulated  
11 by the department under:

12 (1) Chapter 5;

13 (2) Chapter 1804, 1805, 2171, or 2301; or

14 (3) Subtitle C, D, E, or F, Title 10.

15 SECTION 2. Section 551.002(a), Insurance Code, is amended  
16 to read as follows:

17 (a) The commissioner shall require an insurer that declines  
18 a completed and submitted application for or cancels or refuses to  
19 renew an insurance policy to which Section 551.001 applies ~~[, on~~  
20 ~~request by an applicant for insurance or a policyholder,~~] to  
21 provide to the applicant or policyholder or the applicant's agent  
22 in accordance with Section 551.007, as applicable, a written  
23 statement of the reasons for the declination, cancellation, or  
24 nonrenewal of the ~~[an insurance]~~ policy ~~[to which Section 551.001~~

1 ~~applies~~].

2 SECTION 3. Subchapter A, Chapter 551, Insurance Code, is  
3 amended by adding Sections 551.006, 551.007, and 551.008 to read as  
4 follows:

5 Sec. 551.006. QUARTERLY REPORT. (a) An insurer shall  
6 provide to the department each quarter a written report summarizing  
7 the insurer's written statements of reasons for declination,  
8 cancellation, or nonrenewal provided to applicants for insurance or  
9 policyholders as required by this chapter. The report must be:

10 (1) in the form and manner prescribed by the  
11 commissioner; and

12 (2) organized by the zip code of the applicant or  
13 policyholder that received the statement.

14 (b) The department shall post a report provided under this  
15 section on the department's Internet website.

16 Sec. 551.007. NOTICE OF DECLINATION FOR COMMERCIAL LINES OF  
17 INSURANCE. (a) An insurer must deliver a notice of a declination  
18 required by this chapter for a completed and submitted application  
19 for a commercial line of insurance to the applicant's agent.

20 (b) On receiving a notice described by Subsection (a), an  
21 agent shall disclose the declination to the applicant and make the  
22 notice available for the applicant to review.

23 Sec. 551.008. ELECTRONIC DELIVERY. An insurer may deliver  
24 notice or a written statement of a declination, cancellation, or  
25 nonrenewal required by this chapter electronically in accordance  
26 with Chapter 35.

27 SECTION 4. The heading to Subchapter B, Chapter 551,

1 Insurance Code, is amended to read as follows:

2 SUBCHAPTER B. DECLINATION, CANCELLATION, AND NONRENEWAL OF CERTAIN  
3 LIABILITY AND COMMERCIAL PROPERTY INSURANCE POLICIES

4 SECTION 5. Subchapter B, Chapter 551, Insurance Code, is  
5 amended by adding Section 551.0521 to read as follows:

6 Sec. 551.0521. WRITTEN NOTICE OF DECLINATION REQUIRED. An  
7 insurer that declines a completed and submitted application for a  
8 liability insurance or commercial property insurance policy shall  
9 deliver or mail written notice of the declination to the applicant  
10 or the applicant's agent in accordance with Section 551.007, as  
11 applicable.

12 SECTION 6. Section 551.055, Insurance Code, is amended to  
13 read as follows:

14 Sec. 551.055. REASON FOR DECLINATION, CANCELLATION, OR  
15 NONRENEWAL REQUIRED. In a notice to an applicant or insured  
16 relating to declination, cancellation, or refusal to renew, an  
17 insurer must state the reason for the declination, cancellation, or  
18 nonrenewal. The statement must comply with:

19 (1) Sections 551.002(b) and (c); and

20 (2) rules adopted under Section 551.002(d).

21 SECTION 7. Section 551.109, Insurance Code, is amended to  
22 read as follows:

23 Sec. 551.109. INSURER STATEMENT. An insurer shall~~[, at the~~  
24 ~~request of an applicant for insurance or an insured,~~] provide a  
25 written statement of the reason for a declination, cancellation, or  
26 nonrenewal of an insurance policy. The statement must comply with:

27 (1) Sections 551.002(b) and (c); and

(2) rules adopted under Section 551.002(d).

SECTION 8. The change in law made by this Act applies only to an application for insurance that is made or an insurance policy that is delivered, issued for delivery, or renewed on or after the effective date of this Act. An application made or policy delivered, issued for delivery, or renewed before the effective date of this Act is governed by the law as it existed immediately before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION 9. This Act takes effect September 1, 2025.



ADOPTED

MAY 25 2025

FLOOR AMENDMENT NO. 1

*Lacey Law*  
Secretary of the Senate

*Mayer Middleton*

1 Amend C.S.H.B. No. 2067 (senate committee report) in SECTION  
2 3 of the bill, immediately after added Section 551.006(b),  
3 Insurance Code (between page 1, line 60, and page 2, line 1), by  
4 inserting the following:

5 (c) The department shall protect to the extent possible the  
6 trade secrets, business practices, and identity of an insurer who  
7 provides a written report posted under Subsection (b).

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION**

**May 26, 2025**

**TO:** Honorable Dustin Burrows, Speaker of the House, House of Representatives

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB2067** by Paul (Relating to declination, cancellation, or nonrenewal of insurance policies.), **As Passed 2nd House**

<b>No significant fiscal implication to the State is anticipated.</b>
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It is assumed that any costs associated with the bill could be absorbed using existing resources.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated

**Source Agencies:** 454 Department of Insurance

**LBB Staff:** JMc, RStu, BFa, AAL, CMA, GDZ

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION**

**May 22, 2025**

**TO:** Honorable Charles Schwertner, Chair, Senate Committee on Business & Commerce

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB2067** by Paul (relating to declination, cancellation, or nonrenewal of insurance policies.),  
**Committee Report 2nd House, Substituted**

<b>No significant fiscal implication to the State is anticipated.</b>
---

It is assumed that any costs associated with the bill could be absorbed using existing resources.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated

**Source Agencies:** 454 Department of Insurance

**LBB Staff:** JMc, RStu, BFa, AAL, CMA, GDZ

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION**

**May 19, 2025**

**TO:** Honorable Charles Schwertner, Chair, Senate Committee on Business & Commerce

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB2067** by Paul (Relating to declination, cancellation, or nonrenewal of insurance policies.), **As Engrossed**

<b>No significant fiscal implication to the State is anticipated.</b>
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It is assumed that any costs associated with the bill could be absorbed using existing resources.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated

**Source Agencies:** 454 Department of Insurance

**LBB Staff:** JMc, RStu, BFa, AAL, CMA, GDZ

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION**

**April 4, 2025**

**TO:** Honorable Jay Dean, Chair, House Committee on Insurance

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB2067** by Paul (relating to declination, cancellation, or nonrenewal of insurance policies.),  
**Committee Report 1st House, Substituted**

<b>No significant fiscal implication to the State is anticipated.</b>
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It is assumed that any costs associated with the bill could be absorbed using existing resources.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated

**Source Agencies:** 454 Department of Insurance

**LBB Staff:** JMc, AAL, BFa, CMA, RStu, GDZ

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION**

**March 21, 2025**

**TO:** Honorable Jay Dean, Chair, House Committee on Insurance

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB2067** by Paul (Relating to declination, cancellation, or nonrenewal of insurance policies.), **As Introduced**

<b>No significant fiscal implication to the State is anticipated.</b>
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It is assumed that any costs associated with the bill could be absorbed using existing resources.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated

**Source Agencies:** 454 Department of Insurance

**LBB Staff:** JMc, AAL, BFa, CMA, RStu, GDZ