

BILL ANALYSIS

Senate Research Center
86R9982 SMT-F

H.B. 1944
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Business & Commerce
4/25/2019
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Concerns have been raised regarding the maximum allowable deadline extension for claims and related settlement and dispute resolution under the Texas Windstorm Insurance Association Act, especially with regard to claims arising from more than one storm during the same year. It has been suggested that many Texans needing to file claims under the act would benefit from certain changes to these deadline extensions. H.B. 1944 seeks to make these changes in an effort to ensure that both claimants and the Texas Windstorm Insurance Association have sufficient time to settle claims and resolve disputes.

H.B. 1944 amends current law relating to extension of deadlines for claims and related settlement and dispute resolution under the Texas Windstorm Insurance Association Act.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the commissioner of insurance in SECTION 1 (Section 2210.581, Insurance Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 2210.581, Insurance Code, by amending Subsections (a) and (b) and adding Subsection (d), as follows:

(a) Makes a nonsubstantive change. Authorizes the commissioner of insurance (commissioner) by rule, subject to Subsection (b), to, on a showing of good cause:

(1) creates this subdivision from existing text and makes a nonsubstantive change;
and

(2) set the length of the extension of certain deadlines relating to claims.

(b) Prohibits all deadline extensions related to claims arising from a particular storm, with reference to deadlines applicable to the Texas Windstorm Insurance Association (TWIA) only, from exceeding 120 days in the aggregate, rather than prohibiting the extension of deadlines under Subsection (a), with reference to claims filed during a particular catastrophe year, from exceeding 120 days in the aggregate. Provides that this subsection does not affect the extension of a deadline applicable to a claimant or to both TWIA and a claimant.

(d) Requires the commissioner to adopt rules necessary to implement this section (Commissioner Extension of Deadlines). Provides that Section 2001.0045 (Requirement For Rule Increasing Costs to Regulated Persons), Government Code, does not apply to rules adopted under this subsection.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2019.