

1 AN ACT

2 relating to certain insurance premium surcharges.

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

4 SECTION 1. Subsection (c), Section 551.107, Insurance Code,
5 is amended to read as follows:

6 (c) An insurer may assess a premium surcharge at the time an
7 insurance policy is renewed if the insured has filed two [~~one~~] or
8 more claims in the preceding three policy years. The amount of the
9 surcharge must be based on sound actuarial principles.

10 SECTION 2. This Act applies only to an insurance policy
11 delivered, issued for delivery, or renewed on or after January 1,
12 2008. A policy delivered, issued for delivery, or renewed before
13 January 1, 2008, is governed by the law as it existed immediately
14 before the effective date of this Act, and that law is continued in
15 effect for that purpose.

16 SECTION 3. This Act takes effect September 1, 2007.

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S.B. No. 978

David Swihurst
President of the Senate

Tom Craddick
Speaker of the House

I hereby certify that S.B. No. 978 passed the Senate on March 28, 2007, by the following vote: Yeas 30, Nays 0.

Letsy Spaw
Secretary of the Senate

I hereby certify that S.B. No. 978 passed the House on May 11, 2007, by the following vote: Yeas 132, Nays 4, two present not voting.

Robert Haney
Chief Clerk of the House

Approved:

25 MAY 07
Date

Rick Perry
Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
10:00am O'CLOCK
MAY 25 2007

Roger Winnie