

BILL ANALYSIS

Senate Research Center

S.B. 463
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State Affairs
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Enrolled

DIGEST AND PURPOSE

Current law allows a property owner with a structure built before 1991 and located inside a Federal Coastal Barrier Resource Zone to purchase wind insurance through the Texas Windstorm Insurance Association. S.B. 463 deletes statutory language which prohibits coastal structures, other than a condominium, apartment, duplex, other multifamily residence, hotel or resort facility, for which construction commenced after July 1, 1991, from being considered insurable property.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 3(f), Article 21.49, Insurance Code, to authorize repairs to be completed in a manner that returns the structure to its condition immediately before the loss without affecting the eligibility of the structure to qualify as insurable property, if repair of damage to a structure is based on a direct loss and claim, the amount of which is equal to less than five percent of the amount of total property coverage on the structure. Provides an exception.

SECTION 2. Amends Subsection (h)(9), Section 8, Article 2149, Insurance Code, to remove the provision relating to the expiration of this subdivision.

SECTION 3. Makes application of this Act prospective.

SECTION 4. Effective date: upon passage or September 1, 2003.