

BILL ANALYSIS

S.B. 463
By: Janek
Insurance
Committee Report (Unamended)

BACKGROUND 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

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

SECTION 1. Amends Section 3(f), Article 21.49, Insurance Code, to provide that for purposes of this Act, all structures, other than a condominium, apartment, duplex, or other multifamily residence, or a hotel or resort facility, which are located within those areas designated as units under the federal Coastal Barrier Resources Act (Public Law 97-348) and for which a building permit or plat has been filed with the municipality, county, or the United States Army Corps of Engineers before the effective date of Senate Bill 463, Acts of the 78th Legislature, Regular Session, 2003, are insurable property.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: upon passage or September 1, 2003.

EFFECTIVE DATE

On passage or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2003.