

By: Thompson

H.B. No. 2093

A BILL TO BE ENTITLED

AN ACT

relating to the operation and regulation of certain consolidated insurance programs.

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

SECTION 1. Title 2, Insurance Code, is amended by adding Subtitle C to read as follows:

SUBTITLE C. PROGRAMS AFFECTING MULTIPLE LINES OF INSURANCE

CHAPTER 151. CONSOLIDATED INSURANCE PROGRAMS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 151.001. DEFINITIONS. In this chapter:

(1) "Consolidated insurance program" means a program under which a principal provides general liability insurance coverage, workers' compensation insurance coverage, or both that are incorporated into an insurance program for a single construction project or multiple construction projects.

(2) "Construction project" means construction, remodeling, maintenance, or repair of improvements to real property. The term includes the immediate construction location and areas incidental and necessary to the work as defined in the construction contract documents. A construction project under this chapter does not include a single-family home, duplex, triplex, or quadruplex.

(3) "Contractor" means any person who has entered into a construction contract or a professional services contract and is

1 enrolled in the consolidated insurance program.

2 (4) "Insurer" means an insurance company, including a
3 mutual insurance company or a capital stock company, a reciprocal
4 or interinsurance exchange, a Lloyd's plan, or another legal entity
5 authorized to engage in the business of general liability insurance
6 or workers' compensation insurance in this state. The term
7 includes an eligible surplus lines insurer.

8 (5) "Principal" means the person who procures the
9 insurance policy under a consolidated insurance program.

10 Sec. 151.002. RULES. The commissioner shall adopt rules as
11 necessary to implement and enforce this chapter.

12 [Sections 151.003-151.050 reserved for expansion]

13 SUBCHAPTER B. GENERAL REQUIREMENTS

14 Sec. 151.051. DURATION OF GENERAL LIABILITY COVERAGE. A
15 consolidated insurance program that provides general liability
16 insurance coverage must provide completed operations insurance
17 coverage for a policy period of not less than three years.

18 [Sections 151.052-151.100 reserved for expansion]

19 SUBCHAPTER C. NONWAIVER

20 Sec. 151.101. NONWAIVER. A provision of this chapter may
21 not be waived by contract or otherwise.

22 SECTION 2. Chapter 151, Insurance Code, as added by this
23 Act, applies only to a new or renewed consolidated insurance
24 program for a construction project that begins on or after January
25 1, 2012. A consolidated insurance program for a construction
26 project that begins before January 1, 2012, is governed by the law
27 as it existed immediately before the effective date of this Act, and

1 that law is continued in effect for that purpose.

2 SECTION 3. This Act takes effect September 1, 2011.