

1-1 By: Hancock S.B. No. 878
 1-2 (In the Senate - Filed February 14, 2017; February 28, 2017,
 1-3 read first time and referred to Committee on Business & Commerce;
 1-4 April 10, 2017, reported adversely, with favorable Committee
 1-5 Substitute by the following vote: Yeas 9, Nays 0; April 10, 2017,
 1-6 sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8 Hancock	X			
1-9 Creighton	X			
1-10 Campbell	X			
1-11 Estes	X			
1-12 Nichols	X			
1-13 Schwertner	X			
1-14 Taylor of Galveston	X			
1-15 Whitmire	X			
1-16 Zaffirini	X			

1-18 COMMITTEE SUBSTITUTE FOR S.B. No. 878 By: Hancock

1-19 A BILL TO BE ENTITLED
 1-20 AN ACT

1-21 relating to named driver policy disclosure requirements.
 1-22 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
 1-23 SECTION 1. Section [1952.0545](#), Insurance Code, is amended by
 1-24 amending Subsection (b) and adding Subsection (c-1) to read as
 1-25 follows:
 1-26 (b) Before accepting any premium or fee for a named driver
 1-27 policy, an agent or insurer, including a county mutual insurance
 1-28 company, must make the following disclosure, [~~orally and~~] in
 1-29 writing, to the applicant or insured:
 1-30 WARNING: A NAMED DRIVER POLICY DOES NOT PROVIDE COVERAGE FOR
 1-31 INDIVIDUALS RESIDING IN THE INSURED'S HOUSEHOLD THAT ARE NOT
 1-32 NAMED ON THE POLICY.
 1-33 (c-1) A signature required by this section must be an
 1-34 original signature or an electronic signature that complies with
 1-35 Chapter [322](#), Business & Commerce Code, and Chapter 35 of this code.
 1-36 SECTION 2. Section [1952.0545](#)(e), Insurance Code, is
 1-37 repealed.
 1-38 SECTION 3. The change in law made by this Act applies only
 1-39 to an insurance policy that is delivered, issued for delivery, or
 1-40 renewed on or after January 1, 2018. A policy delivered, issued for
 1-41 delivery, or renewed before January 1, 2018, is governed by the law
 1-42 as it existed immediately before the effective date of this Act, and
 1-43 that law is continued in effect for that purpose.
 1-44 SECTION 4. This Act takes effect September 1, 2017.

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