

1-1 By: Perez, et al. (Senate Sponsor - Schwertner) H.B. No. 1706  
 1-2 (In the Senate - Received from the House April 17, 2023;  
 1-3 April 18, 2023, read first time and referred to Committee on  
 1-4 Business & Commerce; May 5, 2023, reported adversely, with  
 1-5 favorable Committee Substitute by the following vote: Yeas 10,  
 1-6 Nays 0; May 5, 2023, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8 Schwertner	X			
1-9 King	X			
1-10 Birdwell			X	
1-11 Campbell	X			
1-12 Creighton	X			
1-13 Johnson	X			
1-14 Kolkhorst	X			
1-15 Menéndez	X			
1-16 Middleton	X			
1-17 Nichols	X			
1-18 Zaffirini	X			

1-20 COMMITTEE SUBSTITUTE FOR H.B. No. 1706 By: Schwertner

1-21 A BILL TO BE ENTITLED  
 1-22 AN ACT

1-23 relating to the right of an insured to enter into a contract with a  
 1-24 public insurance adjuster.

1-25 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-26 SECTION 1. Subchapter A, Chapter 4102, Insurance Code, is  
 1-27 amended by adding Section 4102.007 to read as follows:

1-28 Sec. 4102.007. RIGHT TO CONTRACT WITH LICENSE HOLDER. (a)  
 1-29 Notwithstanding Sections 4001.002 and 4102.002, this section  
 1-30 applies to a commercial or residential property insurance policy  
 1-31 issued by an insurer, including:

- 1-32 (1) a capital stock insurance company;
- 1-33 (2) a mutual insurance company;
- 1-34 (3) a county mutual insurance company;
- 1-35 (4) a Lloyd's plan;
- 1-36 (5) a reciprocal or interinsurance exchange;
- 1-37 (6) a farm mutual insurance company; and
- 1-38 (7) an eligible surplus lines insurer if this state is  
 1-39 the insured's home state as defined by Section 981.002.

1-40 (b) An insurance policy, including any endorsement, to  
 1-41 which this section applies may not include a provision that  
 1-42 prohibits an insured from contracting with a public insurance  
 1-43 adjuster for services provided under this chapter.

1-44 (c) An insured is not required to enter into a contract  
 1-45 described by Subsection (b).

1-46 SECTION 2. Section 4102.007, Insurance Code, as added by  
 1-47 this Act, applies only to an insurance policy delivered, issued for  
 1-48 delivery, or renewed on or after January 1, 2024.

1-49 SECTION 3. This Act takes effect September 1, 2023.

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