

Tex. Ins. Code § 2301.0031

This document is current through the 2023 Regular Session; the 1st C.S.; the 2nd C.S.; the 3rd C.S. and the 4th C.S. of the 88th Legislature; and the November 7, 2023 general election results.

Texas Statutes & Codes Annotated by LexisNexis® > Insurance Code > Title 10 Property and Casualty Insurance (Subts. A — I) > Subtitle I Policy Forms in General (Ch. 2301) > Chapter 2301 Policy Forms (Subchs. A — B) > Subchapter A Policy Forms Generally (§§ 2301.001 — 2301.010)

Sec. 2301.0031. Exceptions for Certain Lines.

(a) Except as provided by Subsection (d), Sections 2301.006, 2301.007(a) and (b), and 2301.008 do not apply to any line of the following kinds of insurance written under a commercial insurance policy or contract issued by an insurer authorized to engage in the business of insurance in this state:

- (1) surety bonds;
- (2) fidelity bonds;
- (3) commercial inland marine;
- (4) boiler and machinery;
- (5) environmental impairment or pollution liability;
- (6) kidnap and ransom;
- (7) political risk or expropriation;
- (8) commercial excess liability or umbrella liability;
- (9) directors' and officers' liability;
- (10) fiduciary liability;
- (11) employment practices liability;
- (12) errors and omission and professional liability other than medical professional liability;
- (13) media liability;
- (14) product liability, product recall, or completed operations;
- (15) commercial cybersecurity, including first- and third-party commercial lines coverage for losses arising out of or relating to data privacy breaches, network security, computer viruses, and similar exposures;
- (16) highly protected commercial property;

(17) commercial flood insurance not provided through the National Flood Insurance Program;
or

(18) any combination of only the kinds of insurance listed in this subsection or exempted under Subsection (c).

(b) For purposes of Subsection (a), “highly protected commercial property” is commercial property that is subject to a much lower than normal probability of loss due to low-hazard occupancy or property type, superior construction, special fire protection equipment and procedures, and management commitment to loss prevention.

(c) The commissioner by rule may exempt a commercial line of insurance or commercial risk not listed in Subsection (a) from the form filing requirements of this subchapter to promote enhanced competition or more effectively use the resources of the department that might otherwise be used to review commercial lines filings.

(d) Notwithstanding Subsection (a), the commissioner may temporarily impose the requirements of Sections 2301.006, 2301.007(a) and (b), and 2301.008 for a specific kind of insurance listed in Subsection (a) for a period of not longer than one year if, after notice and hearing, the commissioner issues an order that:

(1) includes a finding that a reasonable degree of competition does not exist for that specific kind of insurance; and

(2) specifies the relevant tests and test results used to determine the degree of competition for that kind of insurance.

(e) In the absence of a finding described by Subsection (d) with respect to a specific kind of insurance, a competitive market is presumed to exist for that kind of insurance.

(f) The commissioner may adopt reasonable and necessary rules to implement this section.

History

Acts 2021, 87th Leg., ch. 42 (S.B. 1367), § 6, effective September 1, 2021.