

BILL ANALYSIS

H.B. 1787
By: Lambert
Insurance
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The 86th Texas Legislature enacted legislation requiring an individual's primary physical damage coverage on their vehicle to carry forward to cover a temporary substitute vehicle provided to the individual while their vehicle is in a motor vehicle repair facility. This legislation established that the coverage did not extend to an individual not covered in a named driver policy. However, that same session the legislature enacted different legislation that repealed provisions providing for named driver policies. H.B. 1787 seeks to revise state law by removing the outdated reference to a named driver policy while preserving the intent of the original legislation.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

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

H.B. 1787 amends the Insurance Code to establish that the liability coverage under a personal automobile insurance policy for a temporary vehicle provided to an insured by an automobile repair facility must insure any resident relative of the insured and licensed operator residing in the household except for a person specifically named in an authorized named driver exclusion under the policy.

EFFECTIVE DATE

September 1, 2021.