

INSURANCE CODE

TITLE 10. PROPERTY AND CASUALTY INSURANCE

SUBTITLE C. AUTOMOBILE INSURANCE

CHAPTER 1953. RATE REGULATION AND RATEMAKING FOR AUTOMOBILE  
INSURANCE

SUBCHAPTER A. RATE REGULATION

Sec. 1953.001. EXCLUSION OF CERTAIN TYPES OR CLASSES OF INSURANCE FROM CERTAIN REGULATIONS. (a) This section applies only to insurance against liability for damages arising out of the ownership, operation, maintenance, or use of a motor vehicle described by Article 5.01 or against loss of or damage to a motor vehicle described by Article 5.01 that, in the judgment of the commissioner, is a type or class of insurance that is also the subject of or is more properly regulated under other insurance rating laws that cover that type or class of insurance.

(b) A type or class of insurance to which this section applies is excluded from regulation under this chapter and:

- (1) Articles 5.01, 5.01B, 5.03, 5.04, 5.04-1, 5.06, 5.10, and 5.11;
- (2) Chapters 251 and 254;
- (3) Subchapters A and B, Chapter 1806; and
- (4) Chapters 1951 and 1952.

(c) If the commissioner finds that a type or class of insurance to which this section applies is also the subject of or is more properly regulated under other insurance rating laws that cover that type or class of insurance, the commissioner shall issue an order declaring which other insurance rating laws apply to:

- (1) the type or class of insurance; and
- (2) any motor vehicle equipment described by Article 5.01.

Added by Acts 2007, 80th Leg., R.S., Ch. 730 (H.B. 2636), Sec. 1H.001, eff. April 1, 2009.

SUBCHAPTER B. RATEMAKING

Sec. 1953.051. CERTAIN RATING PLANS PROHIBITED. (a) A rating plan regarding the writing of automobile insurance, other than insurance written under Chapter 2151, may not:

(1) assign a rate consequence to a charge or conviction for a violation of Subtitle C, Title 7, Transportation Code; or

(2) otherwise cause premiums for automobile insurance to be increased because of a charge or conviction described by Subdivision (1).

(b) A rating plan regarding the writing of personal automobile insurance may not:

(1) assign a rate consequence solely to:

(A) a consumer inquiry, as defined by Section 544.551, made by an applicant or insured; or

(B) a claim filed by an insured under a personal automobile insurance policy that is not paid or payable under the policy; or

(2) otherwise cause premiums for personal automobile insurance to be increased solely because of an inquiry or claim described by Subdivision (1).

Added by Acts 2007, 80th Leg., R.S., Ch. 730 (H.B. 2636), Sec. 1H.001, eff. April 1, 2009.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1137 (S.B. 189), Sec. 4, eff. September 1, 2015.

Sec. 1953.052. PREMIUM SURCHARGE REQUIRED. (a) An insurer described by Section 1952.001 shall assess a premium surcharge in an amount as stated in the insurer's rating plan against an insured for no more than three years immediately following the date the insured is convicted of:

(1) an offense relating to the operating of a motor vehicle while intoxicated in violation of Section 49.04 or 49.07, Penal Code; or

(2) an offense under Section 49.08, Penal Code.

(b) An insurer may apply the premium surcharge described by Subsection (a) only to a private passenger automobile policy, as

defined by the department.

(c) If an insured assessed a premium surcharge under Subsection (a) is convicted of an offense under one of the statutes listed in Subsection (a)(1) or (2) during the period the insured is assessed the premium surcharge, the period for which the premium surcharge is assessed is increased by three additional consecutive years for each conviction.

Added by Acts 2007, 80th Leg., R.S., Ch. 730 (H.B. 2636), Sec. 1H.001, eff. April 1, 2009.

Amended by:

Acts 2017, 85th Leg., R.S., Ch. 216 (S.B. 1490), Sec. 1, eff. September 1, 2017.

#### SUBCHAPTER C. LOSS AND EXPENSE EXPERIENCE

Sec. 1953.101. RECORDING AND REPORTING OF LOSS AND EXPENSE EXPERIENCE AND OTHER DATA. (a) The commissioner shall adopt reasonable rules and statistical plans for the recording and reporting of loss experience and other required data by insurers. The rules and plans must ensure that each insurer's total loss and expense experience is made available at least as frequently as annually in the form and with the detail necessary to aid in determining whether rates and rating systems in use under the following provisions comply with the standards adopted under those provisions:

- (1) this chapter;
- (2) Articles 5.01, 5.03, and 5.04, if applicable;
- (3) Subchapters A and B, Chapter 1806; and
- (4) Chapters 1951 and 1952.

(b) In adopting the rules, the commissioner shall adopt rules that are as uniform as is practicable to the rules and forms of statistical plans used in other states.

(c) Each insurer shall use the statistical plans adopted under this section to record and report loss experience and other required data in accordance with the rules adopted by the commissioner.

(d) The commissioner may modify statistical plans adopted

under this section.

Added by Acts 2007, 80th Leg., R.S., Ch. 730 (H.B. 2636), Sec. 1H.001, eff. April 1, 2009.

Sec. 1953.102. RULES ALLOWING INTERCHANGE OF LOSS EXPERIENCE INFORMATION. The commissioner may adopt reasonable rules to allow the interchange of loss experience information as necessary for the application of rating plans.

Added by Acts 2007, 80th Leg., R.S., Ch. 730 (H.B. 2636), Sec. 1H.001, eff. April 1, 2009.

Sec. 1953.103. EXCHANGE OF INFORMATION AND EXPERIENCE DATA WITH OTHER STATES. To further the uniform administration of rating laws, the department or an insurer may:

(1) exchange information and experience data with insurance supervisory officials, insurers, and rating organizations in other states; and

(2) consult and cooperate with the individuals or entities described by Subdivision (1) with respect to ratemaking and the application of rating systems.

Added by Acts 2007, 80th Leg., R.S., Ch. 730 (H.B. 2636), Sec. 1H.001, eff. April 1, 2009.

Sec. 1953.104. SWORN STATEMENTS. (a) The department may require a sworn statement from an insurer affected by this subchapter that shows:

(1) the insurer's experience on any classification or classifications of risks; and

(2) other information that is necessary or helpful in performing duties or exercising authority imposed by law.

(b) The department shall prescribe the necessary forms for statements and reports required under Subsection (a) with due regard for the rules, methods, and forms in use in other states for similar purposes so that uniformity of statistics is not disturbed.

Added by Acts 2007, 80th Leg., R.S., Ch. 730 (H.B. 2636), Sec. 1H.001, eff. April 1, 2009.