

INSURANCE CODE

TITLE 10. PROPERTY AND CASUALTY INSURANCE

SUBTITLE G. POOLS, GROUPS, PLANS, AND SELF-INSURANCE

CHAPTER 2172. PERSONAL LINES GROUP PROPERTY AND CASUALTY INSURANCE

Sec. 2172.001. DEFINITION. In this chapter, "permitted group" means a group of 10 or more certificate holders who have a preexisting relationship to each other through:

- (1) a common trade;
- (2) an association;
- (3) an affiliation; or

(4) any other relationship that is separate and distinct from any group insurance arrangement of the group.

Added by Acts 2025, 89th Leg., R.S., Ch. 692 (H.B. 3388), Sec. 3, eff. June 20, 2025.

Sec. 2172.002. APPLICABILITY OF CHAPTER. (a) This chapter, other than Section 2172.005, applies to an eligible surplus lines insurer.

(b) This chapter does not apply to an insurance policy issued under and in accordance with:

- (1) Chapter 2153, 2171, or 2201; or
- (2) Section 706.002, 2152.003, or 4055.154.

Added by Acts 2025, 89th Leg., R.S., Ch. 692 (H.B. 3388), Sec. 3, eff. June 20, 2025.

Sec. 2172.003. GROUP INSURANCE. (a) An insurer may provide a personal lines property and casualty insurance policy to a permitted group, on a group basis, provided that:

- (1) the issuance of the policy results in economies of scale in administrative, marketing, or brokerage costs;
- (2) the benefits provided under the policy are reasonable to the premiums charged; and
- (3) the policy does not contain a shared aggregate limit.

(b) An insurance policy that provides group coverage under this chapter may not include a provision under which the payment of

a certificate holder's claims is limited by the claims or losses incurred by another certificate holder.

(c) An insurer may not renew an insurance policy that provides group coverage under this chapter to a group that includes fewer than 10 certificate holders as part of the group at the time of renewal.

Added by Acts 2025, 89th Leg., R.S., Ch. 692 (H.B. 3388), Sec. 3, eff. June 20, 2025.

Sec. 2172.004. APPLICABILITY OF INSURANCE LAWS.

(a) Except as otherwise provided by this chapter, a provision of this code applies to each certificate issued under a group policy issued under Section 2172.003 as if the certificate is an insurance policy and the certificate holder is an insured, if the provision would apply to the policy if the policy was issued on an individual basis.

(b) Insurance laws applicable under Subsection (a) include:

- (1) Section 525.002;
- (2) Section 542.003;
- (3) Section 542.059;
- (4) Section 551.002;
- (5) Section 551.107;
- (6) Section 558.002;
- (7) Section 2002.001;
- (8) Section 2002.102;
- (9) Section 2251.005; and
- (10) Section 2254.003.

Added by Acts 2025, 89th Leg., R.S., Ch. 692 (H.B. 3388), Sec. 3, eff. June 20, 2025.

Sec. 2172.005. RATE AND FORM FILINGS. An insurer shall comply with all applicable rate and form filing requirements of this title for an insurance policy issued under Section 2172.003.

Added by Acts 2025, 89th Leg., R.S., Ch. 692 (H.B. 3388), Sec. 3, eff. June 20, 2025.

Sec. 2172.006. INCIDENTAL LIABILITY COVERAGE. An

insurance policy issued under Section 2172.003 may contain liability coverage that is incidental to the property risk covered under the policy.

Added by Acts 2025, 89th Leg., R.S., Ch. 692 (H.B. 3388), Sec. 3, eff. June 20, 2025.

Sec. 2172.007. SURPLUS LINES REQUIREMENTS. (a) A surplus lines agent is required to make a diligent effort, as described by Section 981.004(a)(1), only with respect to a group policy issued under Section 2172.003 and only on an annual basis, rather than individually for each group member added during the policy period.

(b) Notwithstanding Section 981.213, a surplus lines agent is required to report to and file with the Surplus Lines Stamping Office of Texas only the group policy issued under Section 2172.003, rather than each certificate or evidence of insurance issued to the group members.

Added by Acts 2025, 89th Leg., R.S., Ch. 692 (H.B. 3388), Sec. 3, eff. June 20, 2025.

Sec. 2172.008. DISCLOSURES REQUIRED. Not later than the 30th day after the date an insurer issues, delivers, or renews an insurance policy under Section 2172.003, the insurer must deliver the following documents to each member covered by the policy:

- (1) a copy of the certificate of insurance; and
- (2) a copy of the policy.

Added by Acts 2025, 89th Leg., R.S., Ch. 692 (H.B. 3388), Sec. 3, eff. June 20, 2025.

Sec. 2172.009. GROUP ENROLLER EXEMPTION. Notwithstanding the requirements of Chapter 4001, a person who secures and furnishes information for the purpose of enrolling entities or individuals under an insurance policy issued under Section 2172.003, issues certificates or evidences of insurance under the policy, or otherwise assists in administering the policy, including by collecting and remitting premiums, is not required to be licensed as an insurance agent under Chapter 4001, provided that the person does not receive a commission with respect to the sale of

the policy or any related enrollments.

Added by Acts 2025, 89th Leg., R.S., Ch. 692 (H.B. [3388](#)), Sec. 3,
eff. June 20, 2025.

Sec. 2172.010. RULES. The commissioner may adopt rules to
implement and administer this chapter.

Added by Acts 2025, 89th Leg., R.S., Ch. 692 (H.B. [3388](#)), Sec. 3,
eff. June 20, 2025.