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Sen. Kelly Hancock Statement on Property Insurance Legislation

In Harvey's wake, homeowners urged to beware of storm-chasers, file claims directly with insurers

AUSTIN - HB 1774, landmark property insurance lawsuit reform passed by the Texas Legislature this year, takes effect this Friday, Sept. 1. In response to numerous inquiries regarding the legislation's effects, Sen. Kelly Hancock today issued the following statement:

"First and foremost, our prayers are with each Texas family affected by the storm. I am closely monitoring the local, state and federal response and want to echo the clear message of our statewide officials that this disaster is ongoing, and our focus must continue to be saving lives and meeting the critical needs of those in harm's way.

"Sadly, while the storm is still raging and acts of heroism abound, a select few bad actors have circulated misinformation regarding insurance claims to scare property owners, all for the sake of profit. Here are the facts:

- In the wake of a significant natural disaster, homeowners should be on alert for storm-chasers. File insurance claims directly with your insurance company. Do not provide up-front payment to individuals who may be blanketing your neighborhood promising faster repairs or larger payouts.
- HB 1774 has *no impact* on the insurance claims process, it only affects lawsuits. The narrative that the claims process changes on Sept. 1 is false. There is no need to rush to file a claim. Put your safety first. Do not return to seriously-damaged property unless you are informed that it is safe.
- Under HB 1774, if an insurance company acts in bad faith, property owners maintain the option to sue and are encouraged to report their insurer to the Texas Department of Insurance Consumer Help Line at 1-800-252-3439.
- In the event that a lawsuit becomes necessary, HB 1774 limits lawyer's fees so that more awarded damages stay in the pockets of the rightful recipient, the property owner. In addition, prompt pay penalties awarded through a lawsuit will now be calculated on a floating basis tied to interest rates, with a 20% ceiling, rather than a static 18% penalty."

For help with an insurance-related complaint, call the TDI Consumer Help Line at 1-800-252-3439. To read the text or analysis of HB 1774 85(R), visit [Texas Legislature Online](#).

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Sen. Hancock represents [District 9](#), which includes portions of Dallas and Tarrant Counties. He currently serves as Chairman of the Texas Senate Committee on Business & Commerce, which oversees the property and casualty insurance industry. He is the Senate sponsor of HB 1774, 85(R).