

CHAPTER 281

H.B. No. 2305

An Act relating to information concerning motor vehicle theft and motor vehicle insurance fraud.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Subchapter E, Chapter 21, Insurance Code, is amended by adding Article 21.78 to read as follows:

Art. 21.78. MOTOR VEHICLE THEFT AND MOTOR VEHICLE INSURANCE FRAUD REPORTING

Sec. 1. DEFINITIONS. *In this article.*

(1) "Authorized governmental agency" means:

(A) the Department of Public Safety, a police department of any city, town, or village, a county sheriff's department, or any duly constituted criminal investigative department or agency of the United States; or

(B) the prosecuting attorney of any city, town, village, judicial district, or county of the state, or of the United States or any judicial district of the United States.

(2) "Insurer" means any insurer admitted in this state to write insurance for motor vehicles or otherwise liable for any loss due to motor vehicle theft or motor vehicle insurance fraud.

Sec. 2. DISCLOSURE OF INFORMATION. (a) On written request to any insurer by an authorized governmental agency, the insurer or an agent authorized by an insurer to act on its behalf must release to the authorized governmental agency any relevant information that the authorized governmental agency requests and that the insurer has relating to any specific motor vehicle theft or motor vehicle insurance fraud. Relevant information includes:

(1) insurance policy information relevant to the specific motor vehicle theft or motor vehicle insurance fraud under investigation, including any application for the policy;

(2) policy premium payment records that are available;

(3) history of previous claims made by the insured; and

(4) information relating to the investigation of the motor vehicle theft or motor vehicle insurance fraud, including statements of any person, proofs of loss, and notice of loss.

(b) An insurer or an agent authorized by an insurer to act on its behalf shall notify an authorized governmental agency if it:

(1) knows or reasonably believes it knows the identity of a person whom it has reason to believe committed a criminal or fraudulent act relating to a motor vehicle theft or motor vehicle insurance claim; or

(2) has knowledge of a criminal fraudulent act relating to a motor vehicle theft or motor vehicle insurance claim that is reasonably believed not to have been reported to an authorized governmental agency.

(c) Notice to any of the authorized governmental agencies under this section is sufficient notice to all authorized governmental agencies. This subsection does not affect the rights and duties created under Subsection (a) of this section.

(d) The authorized governmental agency provided with information under this section may release or provide the information to any other authorized governmental agencies.

Sec. 3. EVIDENCE; CONFIDENTIALITY. Any information furnished as provided by this article is privileged and not a part of any public record. Except as otherwise provided by law, any authorized governmental agency, insurer, or an agent authorized by an insurer to act on its behalf that receives any information furnished as provided by this article may not release the information to the public. The evidence or information is not subject to a subpoena ad testificandum or a subpoena duces tecum in a civil or criminal proceeding unless, after reasonable notice to any insurer, an agent authorized by an insurer to act on its behalf, or an authorized governmental agency that has an interest in the information and after a hearing, a court determines that the public interest and any ongoing investigation by the authorized governmental agency, insurer, or an agent authorized by an insurer to act on its behalf will not be jeopardized by obedience to the subpoena.

Sec. 4. LIABILITY. In the absence of fraud or malice, an insurer or a person who furnishes information on its behalf is not liable for damages in a civil action or subject to criminal prosecution for oral or written statements made or any other action taken necessary to supply information required pursuant to this action.

SECTION 2. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

Passed by the House on May 6, 1985, by a non-record vote; passed by the Senate on May 17, 1985, by the following vote: Yeas 30, Nays 0.

Approved: June 5, 1985

Effective: August 26, 1985