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The Truth About SB 1628
By Senator Larry Taylor

There have been many untruths and blatant lies regarding the intent of my consumer protection bill, SB 1628. This bill will eliminate catastrophic weather lawsuit abuse while assuring homeowners' right to receive fair and timely claims payments from insurers. On top of the claims payments, SB 1628 enables homeowners to collect 18% penalty interest, pre-judgment interest and attorney fees. In fact, SB 1628 preserves every penalty entitled to policyholders under current law and only enhances regulatory authorities' ability to crack down on bad actors in the legal and insurance industries.

These changes are being falsely characterized by trial lawyer front groups like Texas Watch as somehow "stripping" policy holders of their right to timely payments or even all of their homeowner's insurance benefits. Texas Watch consistently distorts the truth and I will not stand by and let their factually challenged statements go unanswered.

Texas Watch has long tried to deceive the public by portraying themselves as a pro-consumer group, but according to their filing with the Texas Secretary of State, the seven-member board of Texas Watch is dominated by personal injury trial lawyers and their allies, including the longtime spokesman for the Texas Trial Lawyers Association (TTLA) Willie Chapman, and Dallas trial lawyer D. Shawn Stevens. The Deputy Director of Texas Watch, Ware Wendall, is a personal injury trial lawyer. Distorting the intent of this bill and creating fear in policyholders protects trial lawyers' businesses and wallets.

Storm-chasing trial lawyers prowl storm devastated communities and manipulate the law for attorney fees. Some unscrupulous contractors, public adjusters, and case runners troll entire neighborhoods to solicit lawsuit clients. This unethical behavior makes millions of dollars off the backs of unaware consumers who see their deductibles and premiums rise after a weather catastrophe hits.

These bad actors are the cause of the recent surge in lawsuits following hailstorms in Hidalgo County in 2012. There has been no increase in the frequency of hailstorms nor changes in insurance law. Over 30% of hail and windstorm claims have turned into lawsuits, with 80% or more of the lawsuits filed after the initial claim has been paid. Only 24 consumer complaints from Hidalgo County were filed through 2014 with the Texas Department of Insurance, reflecting the small number of actual legitimate consumer complaints regarding their carriers.

SB 1628 stops trial lawyers from filing frivolous lawsuits following a weather catastrophe and strengthens homeowners' rights. Policyholders deserve the lowest insurance premiums possible and to have their claims handled promptly and fairly. These are the facts of SB 1628. Don't be fooled by Texas Watch and their trial lawyer fiction.