

BUSINESS AND COMMERCE CODE
TITLE 3. INSOLVENCY, FRAUDULENT TRANSFERS, AND FRAUD
CHAPTER 27. FRAUD

§ 27.02. Certain Insurance Claims for Excessive Charges

- (a) A person who sells goods or services commits an offense if:
- (1) the person advertises or promises to provide the good or service and to pay:
 - (A) all or part of any applicable insurance deductible; or
 - (B) a rebate in an amount equal to all or part of any applicable insurance deductible;
 - (2) the good or service is paid for by the consumer from proceeds of a property or casualty insurance policy; and
 - (3) the person knowingly charges an amount for the good or service that exceeds the usual and customary charge by the person for the good or service by an amount equal to or greater than all or part of the applicable insurance deductible paid by the person to an insurer on behalf of an insured or remitted to an insured by the person as a rebate.
- (b) A person who is insured under a property or casualty insurance policy commits an offense if the person:
- (1) submits a claim under the policy based on charges that are in violation of Subsection (a) of this section; or
 - (2) knowingly allows a claim in violation of Subsection (a) of this section to be submitted, unless the person promptly notifies the insurer of the excessive charges.
- (c) An offense under this section is a Class A misdemeanor.