

- SUBJECT:** Access to property and life insurance information for law enforcement
- COMMITTEE:** Insurance — committee substitute recommended
- VOTE:** 9 ayes — Smithee, Eiland, Burnam, G. Lewis, J. Moreno, Olivo, Seaman, Thompson, Wise
0 nays
- WITNESSES:** (*On original bill:*)
For — Michael Johnston; Mike Pollard, Texas Association of Life and Health Insurers; Larry Zacharias, Texas Police Chiefs Association
Against — None
On — Rod Bordelon, Office of Public Insurance Counsel; Will D. Davis, Texas Association of Life and Health Insurers
- BACKGROUND:** The Insurance Code, Art. 5.46 requires insurers to comply with information requests from the state fire marshal, other Texas fire marshals, fire chiefs, and peace officers regarding investigations of claims for fire damages and losses exceeding \$1,000.
- DIGEST:** CSHB 205 would require insurers to comply with written information requests from the state fire marshal, other Texas fire marshals, fire chiefs, police chiefs, and sheriffs regarding investigations of property claims for burglary or robbery loss as well as death claims seeking life insurance proceeds. Only the following information could be requested from the insurer:
- relevant insurance policies;
 - policy premium payment records;
 - previous claim history of the insured; and
 - information collected during investigations, including witness statements and proof of loss.
- If there was reason to believe that a claim subject to such an information request was fraudulent, the insurer would be required to cooperate fully with

law enforcement agencies, supplying officials with all relevant materials collected during a company claim investigation. The bill would not authorize a public official or agency to require periodic reports from insurers.

Information received by public agencies and officials would remain confidential unless the release of the information was required during a criminal or civil proceeding. Insurers and their representatives would be immune from liability for complying with information requests unless fraud or malice on the part of the insurer was involved.

CSHB 205 would take effect September 1, 1999, and apply to claims filed on or after that date.

NOTES:

The committee substitute changed “peace officer” to a police chief or sheriff in the list of officials who could request information. The substitute also changed the application of immunity for complying with information requests from a “person” to an insurer or its representative.