

SUBJECT: Limiting life insurance payments for persons who commit terroristic acts

COMMITTEE: Insurance — favorable, without amendment

VOTE: 7 ayes — Lucio, Oliverson, G. Bonnen, Lambert, Paul, C. Turner, Vo
0 nays
2 absent — S. Davis, Julie Johnson

WITNESSES: For — None
Against — None
On — (*Registered, but did not testify*: Doug Danzeiser, Texas Department of Insurance)

BACKGROUND: Insurance Code ch. 1101 governs life insurance policies issued or delivered in Texas or issued by a life insurance company organized under the laws of Texas.

DIGEST: HB 2104 would authorize a life insurance policy to limit proceeds to the amount paid in premiums if the insured's death occurred as a result of conduct constituting an offense involving violence to any person or property with the intent to:

- place the public or a substantial group of the public in fear of serious bodily injury;
- influence the conduct or activities of a branch or agency of the federal government, this state, or a political subdivision of this state; or
- significantly disrupt or interfere with lawful commerce or the right of lawful assembly.

The conduct would had to have occurred before the second anniversary of the policy's effective date.

The bill would take effect September 1, 2019, and would apply only to an insurance policy delivered, issue for delivery, or renewed on or after January 1, 2020.