

By: Ellis

S.B. No. 1061

A BILL TO BE ENTITLED

AN ACT

relating to discrimination in the sale of insurance; providing a criminal penalty.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Article 21.21-6, Insurance Code, as added by Chapter 415, Acts of the 74th Legislature, Regular Session, 1995, is amended by adding Section 6 to read as follows:

Sec. 6. CRIMINAL PENALTY. (a) In this section, "person" means:

(1) an individual, including an agent, broker, adjuster, or life insurance counselor; and

(2) an entity other than an individual that is described by Section 2 of this article.

(b) A person commits an offense if the person, with criminal negligence:

(1) offers insurance coverage at a premium based on a rate that is, because of race, color, religion, or national origin, different than another premium rate offered or used by the person for the same coverage; or

(2) collects an insurance premium based on a rate that is, because of race, color, religion, or national origin, different than another premium rate offered or used by the person for the same coverage.

(c) An offense under this section is a state jail felony.

1           SECTION 2. This Act takes effect immediately if it receives  
2 a vote of two-thirds of all the members elected to each house, as  
3 provided by Section 39, Article III, Texas Constitution. If this  
4 Act does not receive the vote necessary for immediate effect, this  
5 Act takes effect September 1, 2003.