

AN ACT

relating to eligibility of certain dependents for group life insurance.

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

SECTION 1. Section 1131.802, Insurance Code, is amended to read as follows:

Sec. 1131.802. EXTENSION OF GROUP LIFE INSURANCE TO SPOUSES AND CHILDREN; ELIGIBLE CHILDREN. Insurance under a group life insurance policy may be extended to cover:

(1) the spouse of each individual eligible to be insured under the policy; ~~or~~

(2) a natural or adopted child of each individual eligible to be insured under the policy if the child is:

(A) unmarried and younger than 25 ~~[21]~~ years of age; or

(B) ~~[older than 21 years of age and~~  
~~[(i) enrolled as a full-time student at an educational institution; or~~

~~[(ii)]~~ physically or mentally disabled and under the parents' supervision; or

(3) a natural or adopted grandchild of each individual eligible to be insured under the policy if the child is:

(A) unmarried;

(B) younger than 25 years of age; and

1                    (C) a dependent of the insured for federal income  
2 tax purposes at the time the application for coverage of the child  
3 is made.

4            SECTION 2. The change in law made by this Act applies only  
5 to a group life insurance policy delivered, issued for delivery, or  
6 renewed on or after January 1, 2008. A policy delivered, issued for  
7 delivery, or renewed before January 1, 2008, is governed by the law  
8 in effect immediately before the effective date of this Act, and  
9 that law is continued in effect for that purpose.

10           SECTION 3. This Act takes effect September 1, 2007.

---

President of the Senate

---

Speaker of the House

I certify that H.B. No. 2549 was passed by the House on May 8, 2007, by the following vote: Yeas 146, Nays 0, 2 present, not voting; and that the House concurred in Senate amendments to H.B. No. 2549 on May 23, 2007, by the following vote: Yeas 145, Nays 0, 2 present, not voting.

---

Chief Clerk of the House

I certify that H.B. No. 2549 was passed by the Senate, with amendments, on May 18, 2007, by the following vote: Yeas 30, Nays 0.

---

Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

---

Governor