

1-1 By: Smith of Tarrant (Senate Sponsor - Harris) H.B. No. 2549
1-2 (In the Senate - Received from the House May 9, 2007;
1-3 May 10, 2007, read first time and referred to Committee on State
1-4 Affairs; May 15, 2007, reported adversely, with favorable
1-5 Committee Substitute by the following vote: Yeas 8, Nays 0;
1-6 May 15, 2007, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR H.B. No. 2549 By: Harris

1-8 A BILL TO BE ENTITLED
1-9 AN ACT

1-10 relating to eligibility of certain dependents for group life
1-11 insurance.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Section 1131.802, Insurance Code, is amended to
1-14 read as follows:

1-15 Sec. 1131.802. EXTENSION OF GROUP LIFE INSURANCE TO SPOUSES
1-16 AND CHILDREN; ELIGIBLE CHILDREN. Insurance under a group life
1-17 insurance policy may be extended to cover:

1-18 (1) the spouse of each individual eligible to be
1-19 insured under the policy; ~~[or]~~

1-20 (2) a natural or adopted child of each individual
1-21 eligible to be insured under the policy if the child is:

1-22 (A) unmarried and younger than 25 [21] years of
1-23 age; or

1-24 (B) ~~[older than 21 years of age and:~~
1-25 ~~[(i) enrolled as a full-time student at an~~
1-26 ~~educational institution; or~~

1-27 ~~[(ii)] physically or mentally disabled and~~
1-28 ~~under the parents' supervision; or~~

1-29 (3) a natural or adopted grandchild of each individual
1-30 eligible to be insured under the policy if the child is:

1-31 (A) unmarried;

1-32 (B) younger than 25 years of age; and

1-33 (C) a dependent of the insured for federal income
1-34 tax purposes at the time the application for coverage of the child
1-35 is made.

1-36 SECTION 2. The change in law made by this Act applies only
1-37 to a group life insurance policy delivered, issued for delivery, or
1-38 renewed on or after January 1, 2008. A policy delivered, issued for
1-39 delivery, or renewed before January 1, 2008, is governed by the law
1-40 in effect immediately before the effective date of this Act, and
1-41 that law is continued in effect for that purpose.

1-42 SECTION 3. This Act takes effect September 1, 2007.

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