

## **BILL ANALYSIS**

C.S.H.B. 2172  
By: Torres  
Insurance  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Under current provisions of the Insurance Code, dependents up to age 25 are eligible to be covered under a group life insurance policy. C.S.H.B. 2172 seeks to allow an insurer to cover dependents up to age 26 or at a younger age as stated in the policy and offer more individuals the opportunity to obtain life insurance coverage through a parent's employer at a minimal cost.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

C.S.H.B. 2172 amends the Insurance Code to change from younger than 25 years of age to younger than 26 years of age or a younger age stated in a group life insurance policy the age of a natural or adopted child or grandchild of each individual eligible to be insured under such a policy to whom the insurance is authorized to be extended to cover and to remove the requirement that the child or grandchild be unmarried. The bill removes the requirement that, for extension of coverage eligibility purposes, a natural or adopted grandchild be a dependent of the insured for federal income tax purposes at the time the application for coverage of the child is made. The bill makes its provisions applicable to an insurance policy that is delivered, issued for delivery, renewed, or amended on or after January 1, 2012.

### **EFFECTIVE DATE**

September 1, 2011.

### **COMPARISON OF ORIGINAL AND SUBSTITUTE**

C.S.H.B. 2172 differs from the original by setting the age of a natural or adopted child or grandchild of each individual eligible to be insured under a group life insurance policy to whom the insurance policy may be extended to cover at younger than 26 years of age or a younger age stated in the policy, whereas the original sets that age at younger than 26 years of age.

C.S.H.B. 2172 differs from the original in the saving provision by making the bill's provisions applicable to an insurance policy that is delivered, issued for delivery, renewed, or amended on or after January 1, 2012, whereas the original does not specify an amended insurance policy among the policies to which the bill's provisions apply.