

SENATE AMENDMENTS

2nd Printing

By: Torres

H.B. No. 2172

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the eligibility of certain children under group life
3 insurance policies.

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

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

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

10 (1) the spouse of each individual eligible to be
11 insured under the policy;

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

14 (A) [~~unmarried and~~] younger than 26 [~~25~~] years of
15 age or a younger age stated in the policy; or

16 (B) physically or mentally disabled and under the
17 parents' supervision; or

18 (3) a natural or adopted grandchild of each individual
19 eligible to be insured under the policy if the child is[+]

20 [~~(A) unmarried,~~

21 [~~(B)~~] younger than 26 [~~25~~] years of age or a
22 younger age stated in the policy [~~and~~

23 [~~(C) a dependent of the insured for federal~~
24 ~~income tax purposes at the time the application for coverage of the~~

1 ~~child is made~~].

2 SECTION 2. The change in law made by this Act applies only
3 to an insurance policy that is delivered, issued for delivery,
4 renewed, or amended on or after January 1, 2012. A policy that is
5 delivered, issued for delivery, renewed, or amended before January
6 1, 2012, is governed by the law as it existed immediately before the
7 effective date of this Act, and that law is continued in effect for
8 that purpose.

9 SECTION 3. This Act takes effect September 1, 2011.

ADOPTED

MAY 24 2011

Atty Gen
Secretary of the Senate

Patricia VandePutte

By: _____

H.B. No. 2172

Substitute the following for __.B. No. _____:

By: *Patricia VandePutte*

C.S. __.B. No. _____

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the eligibility of certain children under group life
3 insurance policies.

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

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

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

10 (1) the spouse of each individual eligible to be
11 insured under the policy;

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

14 (A) [~~unmarried and~~] younger than 25 years of age
15 or an older age stated in the policy; or

16 (B) physically or mentally disabled and under the
17 parents' supervision; or

18 (3) a natural or adopted grandchild of each individual
19 eligible to be insured under the policy if the child is[+]

20 [~~(A) unmarried,~~

21 [~~(B)~~] younger than 25 years of age or an older age
22 stated in the policy [~~and~~

23 [~~(C) a dependent of the insured for federal~~
24 ~~income tax purposes at the time the application for coverage of the~~

1 ~~child is made]~~.

2 SECTION 2. The change in law made by this Act applies only
3 to an insurance policy that is delivered, issued for delivery,
4 renewed, or amended on or after January 1, 2012. A policy that is
5 delivered, issued for delivery, renewed, or amended before January
6 1, 2012, is governed by the law as it existed immediately before the
7 effective date of this Act, and that law is continued in effect for
8 that purpose.

9 SECTION 3. This Act takes effect September 1, 2011.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 24, 2011

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: John S O'Brien, Director, Legislative Budget Board

IN RE: HB2172 by Torres (Relating to the eligibility of certain children under group life insurance policies.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

The bill would amend the Insurance Code relating to the eligibility of certain children under group life insurance policies. Based on the analysis provided by the Texas Department of Insurance (TDI), it is assumed that any costs associated with the implementation of this bill would be absorbed within existing agency resources. Also based on information provided by TDI, this analysis assumes that implementation of the bill would result in a one-time revenue gain (\$18,700 in fiscal year 2012) in General Revenue-Dedicated Texas Department of Insurance Fund 36 from filing fees. Since General Revenue-Dedicated Texas Department of Insurance Fund 36 is a self-leveling account, this analysis also assumes that any additional revenue resulting from the implementation of the bill would accumulate in the account fund balances and that the department would adjust the assessment of the maintenance tax or other fees accordingly in the following year.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 454 Department of Insurance

LBB Staff: JOB, SD, KJG, CH

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 17, 2011

TO: Honorable Robert Duncan, Chair, Senate Committee on State Affairs

FROM: John S O'Brien, Director, Legislative Budget Board

IN RE: HB2172 by Torres (Relating to the eligibility of certain children under group life insurance policies.), **Committee Report 2nd House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend the Insurance Code relating to the eligibility of certain children under group life insurance policies. Based on the analysis provided by the Texas Department of Insurance (TDI), it is assumed that any costs associated with the implementation of this bill would be absorbed within existing agency resources. Also based on information provided by TDI, this analysis assumes that implementation of the bill would result in a one-time revenue gain (\$18,700 in fiscal year 2012) in General Revenue-Dedicated Texas Department of Insurance Fund 36 from filing fees. Since General Revenue-Dedicated Texas Department of Insurance Fund 36 is a self-leveling account, this analysis also assumes that any additional revenue resulting from the implementation of the bill would accumulate in the account fund balances and that the department would adjust the assessment of the maintenance tax or other fees accordingly in the following year.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 454 Department of Insurance

LBB Staff: JOB, KJG, CH

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 10, 2011

TO: Honorable Robert Duncan, Chair, Senate Committee on State Affairs

FROM: John S O'Brien, Director, Legislative Budget Board

IN RE: HB2172 by Torres (Relating to the eligibility of certain children under group life insurance policies.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would amend the Insurance Code relating to the eligibility of certain children under group life insurance policies. Based on the analysis provided by the Texas Department of Insurance (TDI), it is assumed that any costs associated with the implementation of this bill would be absorbed within existing agency resources. Also based on information provided by TDI, this analysis assumes that implementation of the bill would result in a one-time revenue gain (\$18,700 in fiscal year 2012) in General Revenue-Dedicated Texas Department of Insurance Fund 36 from filing fees. Since General Revenue-Dedicated Texas Department of Insurance Fund 36 is a self-leveling account, this analysis also assumes that any additional revenue resulting from the implementation of the bill would accumulate in the account fund balances and that the department would adjust the assessment of the maintenance tax or other fees accordingly in the following year.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 454 Department of Insurance

LBB Staff: JOB, KJG, CH

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 14, 2011

TO: Honorable John T. Smithee, Chair, House Committee on Insurance

FROM: John S O'Brien, Director, Legislative Budget Board

IN RE: **HB2172** by Torres (Relating to the eligibility of certain children under group life insurance policies.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend the Insurance Code relating to the eligibility of certain children under group life insurance policies. Based on the analysis provided by the Texas Department of Insurance (TDI), it is assumed that any costs associated with the implementation of this bill would be absorbed within existing agency resources. Also based on information provided by TDI, this analysis assumes that implementation of the bill would result in a one-time revenue gain (\$18,700 in fiscal year 2012) in General Revenue-Dedicated Texas Department of Insurance Fund 36 from filing fees. Since General Revenue-Dedicated Texas Department of Insurance Fund 36 is a self-leveling account, this analysis also assumes that any additional revenue resulting from the implementation of the bill would accumulate in the account fund balances and that the department would adjust the assessment of the maintenance tax or other fees accordingly in the following year.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 454 Department of Insurance

LBB Staff: JOB, KJG, CH

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 3, 2011

TO: Honorable John T. Smithee, Chair, House Committee on Insurance

FROM: John S O'Brien, Director, Legislative Budget Board

IN RE: HB2172 by Torres (Relating to the eligibility of certain children under group life insurance policies.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Insurance Code relating to the eligibility of certain children under group life insurance policies. Based on the analysis provided by the Texas Department of Insurance (TDI), it is assumed that any costs associated with the implementation of this bill would be absorbed within existing agency resources. Also based on information provided by TDI, this analysis assumes that implementation of the bill would result in a one-time revenue gain (\$18,700 in fiscal year 2012) in General Revenue-Dedicated Texas Department of Insurance Fund 36 from filing fees. Since General Revenue-Dedicated Texas Department of Insurance Fund 36 is a self-leveling account, this analysis also assumes that any additional revenue resulting from the implementation of the bill would accumulate in the account fund balances and that the department would adjust the assessment of the maintenance tax or other fees accordingly in the following year.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 454 Department of Insurance

LBB Staff: JOB, KJG, CH