

By: Thompson of Harris

H.B. No. 2581

A BILL TO BE ENTITLED

1 AN ACT

2 Relating to certain information or assistance provided by life  
3 insurance agents to owners of life insurance policies.

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

5 SECTION 1. Subchapter B, Chapter 541, Insurance Code, is  
6 amended by adding Section 541.062 to read as follows:

7 Sec. 541.062. INTERFERENCE WITH LIFE INSURANCE AGENT  
8 PROHIBITED.

9 (a) This section applies with respect to individual life  
10 insurance policies only.

11 (b) It is against the law and public policy of the State of  
12 Texas for any person or entity in the business of insurance to  
13 directly or to:

14 (1) inform a policy owner about:

15 (A) the benefit options available under a life  
16 insurance policy;

17 (B) the alternatives to the lapse or surrender  
18 of a life insurance policy; or

19 (C) a policy owner's rights related to the  
20 disposition of a life insurance policy;

21 (2) assist a policy owner with securing discounted  
22 policy proceeds under or related to a life insurance policy; or

23 (3) unless otherwise prohibited by law, act as a life  
24 settlement broker under Chapter 19.1111A for the policy owner.

1        (c) The remedies under this section do not include:

2                (1) a private cause of action under Subchapter D, or

3                (2) a class action under subchapter F.

4        SECTION 2. This Act takes effect September 1, 2017.