

By: Hughes, Kolthorst

S.B. No. 1060

A BILL TO BE ENTITLED

AN ACT

relating to the adoption of political shareholder proposals by insurers and insurer holding companies.

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

SECTION 1. Subtitle A, Title 6, Insurance Code, is amended by adding Chapter 806 to read as follows:

CHAPTER 806. CONSIDERATION OF ENVIRONMENTAL, SOCIAL, OR POLITICAL FACTORS

Sec. 806.001. DEFINITIONS. In this chapter:

(1) "Holding company" and "insurer" have the meanings assigned by Section 823.002.

(2) "Political shareholder proposal" means a shareholder proposal that seeks to directly or indirectly:

(A) prohibit or limit an insurer's ability to insure risks related to the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy solely because the risks are related to fossil fuel-based energy;

(B) require or ask an insurer to reduce or track greenhouse gas emissions, including the greenhouse gas emissions of the insurer's insureds or of the entities in which the insurer invests; or

(C) prohibit or limit an insurer's ability to insure an entity involved in legal activity for the purpose of achieving environmental, social, or political ends.

1       Sec. 806.002. POLITICAL SHAREHOLDER PROPOSALS PROHIBITED.

2       An insurer or holding company organized under the laws of this state

3       may not:

4               (1) include a political shareholder proposal in a

5       proxy statement; or

6               (2) implement a political shareholder proposal.

7       SECTION 2. This Act takes effect September 1, 2023.