

1-1 By: Hughes S.B. No. 1060  
 1-2 (In the Senate - Filed February 21, 2023; March 3, 2023,  
 1-3 read first time and referred to Committee on State Affairs;  
 1-4 April 5, 2023, reported adversely, with favorable Committee  
 1-5 Substitute by the following vote: Yeas 8, Nays 2; April 5, 2023,  
 1-6 sent to printer.)

1-7 COMMITTEE VOTE

|      | Yea | Nay | Absent | PNV |
|------|-----|-----|--------|-----|
| 1-8  |     |     |        |     |
| 1-9  | X   |     |        |     |
| 1-10 | X   |     |        |     |
| 1-11 | X   |     |        |     |
| 1-12 | X   |     |        |     |
| 1-13 |     | X   |        |     |
| 1-14 |     | X   |        |     |
| 1-15 | X   |     |        |     |
| 1-16 | X   |     |        |     |
| 1-17 | X   |     |        |     |
| 1-18 | X   |     |        |     |
| 1-19 |     |     | X      |     |

1-20 COMMITTEE SUBSTITUTE FOR S.B. No. 1060 By: Hughes

1-21 A BILL TO BE ENTITLED  
 1-22 AN ACT

1-23 relating to the adoption of political shareholder proposals by  
 1-24 insurers and insurer holding companies.

1-25 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-26 SECTION 1. Subtitle A, Title 6, Insurance Code, is amended  
 1-27 by adding Chapter 806 to read as follows:

1-28 CHAPTER 806. CONSIDERATION OF ENVIRONMENTAL, SOCIAL, OR POLITICAL  
 1-29 FACTORS

1-30 Sec. 806.001. DEFINITIONS. In this chapter:

1-31 (1) "Holding company" and "insurer" have the meanings  
 1-32 assigned by Section 823.002.

1-33 (2) "Political shareholder proposal" means a  
 1-34 shareholder proposal that seeks to directly or indirectly:

1-35 (A) prohibit or limit an insurer's ability to  
 1-36 insure risks related to the exploration, production, utilization,  
 1-37 transportation, sale, or manufacturing of fossil fuel-based energy  
 1-38 solely because the risks are related to fossil fuel-based energy;

1-39 (B) require or ask an insurer to reduce or track  
 1-40 greenhouse gas emissions, including the greenhouse gas emissions of  
 1-41 the insurer's insureds or of the entities in which the insurer  
 1-42 invests; or

1-43 (C) prohibit or limit an insurer's ability to  
 1-44 insure an entity involved in legal activity for the purpose of  
 1-45 achieving environmental, social, or political ends.

1-46 Sec. 806.002. POLITICAL SHAREHOLDER PROPOSALS PROHIBITED.

1-47 An insurer or holding company organized under the laws of this state  
 1-48 may not:

1-49 (1) include a political shareholder proposal in a  
 1-50 proxy statement; or

1-51 (2) implement a political shareholder proposal.

1-52 SECTION 2. This Act takes effect September 1, 2023.

1-53 \* \* \* \* \*